CONDOMINIUM OFFERING PLAN FOR UNITS
IN A CONDOMINIUM TO BE KNOWN AS

THE BEVERLY CONDOMINIUM

82-04 Lefferts Boulevard
Kew Gardens, Queens, New York 11415

Forty (40) Residential Units
Four (4) Commercial Units
Thirteen (13) Garage Parking Units

* Sponsor is withholding the four (4) Commercial Units and Residential Unit 4A from the initial offering.

SPONSOR/SELLING AGENT
82-04 LEFFERTS
TENANTS CORP.
c/o 97-07 63RD ROAD, MGMT OFFICE
REGO PARK, NY 11374

CO-SPONSOR/SELLING AGENT
8336 Realty, LLC
MDCM, LLC
83-36 Beverly Road, Apt. #2C
Kew Gardens, NY 11415

SPONSOR'S ATTORNEY
MORITT HOCK & HAMROFF LLP
1407 Broadway, 39th Floor
New York, New York 10018

The Date of Acceptance for Filing is February 7, 2022. The Offering Plan May Not Be Used After February 6, 2023 Unless Extended by Amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO UNIT OWNERS. SEE PAGE (iv).
THIS OFFERING PLAN IS SPONSOR AND/OR CO-SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR AND/OR CO-SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

BECAUSE SPONSOR AND/OR CO-SPONSOR IS WITHHOLDING UNITS FROM THE INITIAL OFFER, THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR AND/OR CO-SPONSOR. (SEE SPECIAL RISKS SECTION OF THE PLAN).

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

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SPECIAL RISKS

1. The Conversion Offering Plan shall not be declared effective until 1) all of the Shareholders of the Cooperative shall be provided a Distribution Agreement where the Shareholders can either consent, dissent or abstain (by not responding) to the conversion of their respective shares to an ownership interest in the Condominium in the form of title in fee to this/her individual Unit and an undivided interest in the Common Elements of the Condominium whereby they receive the distribution of the Unit deeds to their respective Units in which they are currently holding leasehold interests in the form of a proprietary lease, thereby receiving title in fee simple to his/her individual Unit and an undivided interest in the Common Elements of the Condominium ("Distribution Agreement"); 2) at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative have consented to the Conversion in their respective Distribution Agreement; 3) satisfaction of the Cooperative Debt and availability of sufficient funds for the full payment of the Conversion Obligation, all of which will be generated from the sale proceeds of the successful closing of four (4) Commercial Units and Residential Unit 4A pursuant to Amendment No.16 (accepted by the NYS Department of Law December 17, 2020) to the Cooperative Offering Plan (completed by "Amendment No.16"); and 4) subsequent thereto, an effectiveness amendment shall have been accepted for filing by the Department of Law. (Please refer to Distribution Agreement in Part II of the Plan).

The Cooperative shall not be dissolved before effectiveness is declared. **The Corporation is not and shall not be held responsible for Holder's debt.**

THE DISTRIBUTION AGREEMENT MAY HAVE SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. EACH SHAREHOLDER SHALL CONSULT WITH AN ATTORNEY, AND MORTGAGE LENDER IF APPLICABLE, BEFORE EXECUTING THE DISTRIBUTION AGREEMENT.

A Shareholder will be deemed to have abstained if there is written confirmation of delivery of the Offering Plan to said Shareholder and said Shareholder fails to fully execute the Distribution Agreement within 30 days after the delivery of the Offering Plan. A shareholder who abstains from the vote is treated as the same as someone who explicitly dissents. See NY BCL Section 1005 (a)(3)(A).

Shareholders should note that the following representations are included in the Distribution Agreement: 1) The Shareholder reviewed the Offering Plan at least thirty (30) days prior to the execution of the Distribution Agreement; 2) The Shareholder has executed the Distribution Agreement pursuant to an offering made without fraud or any discriminatory inducements; and 3) a clear indication as to whether Shareholder is consenting, dissenting or abstaining to the Conversion of his/her respective shares in the Cooperative.

The Cooperative will conduct a new vote, as evidenced by the Distribution Agreement, which will supersede the vote taken on November 6, 2017. Please refer to Section B Resolution for Conversion in Part II of the Condominium Offering Plan. The conversion of the shares constitutes an offering, which offering may only be made after a Condominium Offering Plan regarding the same has been accepted for filing by the Department of Law.

Sponsor will submit a list of all dissenting Shareholders prior to the filing of an effectiveness amendment.

Pursuant to the Real Estate Purchase and Sale Agreement ("PSA") made September 23, 2019, by and between 82-04 Lefferts Tenants Corp. ("Seller") and 8336 Realty, LLC ("Purchaser"); Purchaser will purchase from Seller, and Seller will sell to Purchaser, the shares and the appurtenant proprietary leases for the interest in the (4) retails spaces on the ground floor with street exposure and one (1) residential unit known as Unit No. 4A ("Units"); (Comm A, Comm B, Comm C, Comm D and 4A). Subject to adjustments as set forth in the PSA, the total consideration to be paid by Purchaser to Seller for the Property is One Million Six Hundred Thousand Dollars ($1,600,000). The closing of the purchase and sale of the Units is scheduled to occur within thirty (30) days following the approved filing of the amendment of the Cooperative's offering plan and receipt of the Mortgage Commitment, hereof on not less than ten (10) days' written notice provided by Purchaser to Seller; such written notice specifying the date, time and place of Closing in the New York City, New York. Seller shall bear the risk of loss until Closing. Each party to the PSA was represented by legal counsel in connection with the negotiation of the transactions and the drafting and negotiation of the PSA. Each party and its counsel had an opportunity to review and suggest revisions to the language of the PSA. May 20, 2021 the parties executed an Amendment to the PSA; said Amendment updated Section 4.1 titled "Closing Date" so as to set a date which "… shall occur within thirty (30) days of the recording of the declaration for the new condominium related to the Conversion …". See The Purchase and Sale Agreement ("PSA") and Amendment to PSA, Schedule M in Part II of the Plan.

The Offering Plan and the transactions contemplated herein are in compliance with applicable law, including the New York Business Corporation Law ("BCL"). Sponsor shall comply with all applicable laws, including the provisions of the BCL described below.

Pursuant to New York Business Corporation Law ("BCL"), the Corporation may be dissolved and distribute its assets to its Shareholders. The following sections of the BCL are related to the Cooperative's potential plan to distribute the title of the Units in a plan of dissolution.

i. Section 510 – A corporation, such as the Cooperative, may make distributions of its property (exceptions aside) to its shareholders of record. Therefore, Sponsor has the right to declare a distribution of the Unit deeds to its Shareholders.

ii. Section 909 & 910 – Sale, lease, exchange or other disposition of assets is not applicable to a Co-op converting its form of ownership to Condominium by distributing the legal title to the Units that its shareholders already have beneficial ownership of through a proprietary lease. As such, no rights exist to receive payment for shares by a dissenting shareholder per Section 910. No other Sections of Chapter 9 apply to the transaction. None of the enumerated transactions in Section 910 where the right of a shareholder to receive payment for shares applies to the Corporation's (Sponsor) plan to distribute the Unit deeds to its shareholders under a plan of dissolution and conversion to Condominium.

iii. Section 1001– sets forth authorization of dissolution by two-thirds of all outstanding shares entitled to vote at shareholder's meeting. Based on the incorporation date of the Corporation dated March 8, 1983, we will require of two-thirds (2/3rds) of the votes of all outstanding shares entitled to vote for the plan of dissolution.

iv. Section 1002– sets forth dissolution at will or upon occurrence of a special event under provision in certificate of incorporation. As the Certificate of Incorporation of the Cooperative is silent as to a specific number or portion of shares needed to approve dissolution, this Section is not applicable.

v. Section 1003 – sets forth the requirements of certificate of dissolution and the filing of said certificate of dissolution with the Department of State. Pursuant to this section, upon authorization of dissolution set forth in Section 1001, a certificate of dissolution of the Cooperative shall be signed and delivered to the New York Department of State for filing.

vi. Section 1004– sets forth the required pre-approval of the Cooperative Dissolution by relevant government authority. Pursuant to this section, Sponsor must get pre-approval from the New York State Department of Taxation and Finance and The Commissioner of Finance of the City of New York before filing Certificate of Dissolution with the New York Department of State. The Corporation will be unable to pursue corporate dissolution if the Corporation has outstanding tax liability or is not current with its tax return filings. All converting Shareholders will indemnify the Corporation for tax liability, pursuant to the Distribution Agreement, Section 1, D. See also Schedule M.

vii. Section 1005 - sets forth the procedure after dissolution. Pursuant to this Section, after dissolution plan is approved, the Cooperative will wind up its affairs, pay all liabilities and distribute its assets to its shareholders. In accordance with Section 1005 (a)(3)(A), no shareholder is entitled to dissenter's right to receive payment for his shares if there is no sale of assets for consideration that is not for cash as part of the dissolution. As outlined and highlighted below provides clearly that only in the case sale of assets as part of the distribution to shareholders does such a right exist. Since there is no sale of any assets as part of the plan of dissolution and distribution of the Corporation (Sponsor) as Condominium Units, no dissenting or abstaining

shareholder shall have a right to receive payment for shares. Furthermore, Section 1005 (a)(3)(B) states clearly that regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities.

After dissolution plan is approved, the Co-op will wind up its affairs, pay all liabilities and distribute its assets to its shareholders. In accordance with Section 1005 (a)(3)(A), no shareholder is entitled to dissenter's right to receive payment for his shares if there is no sale of assets for consideration that is not for cash as part of the dissolution. Moreover, Section 1005 (a)(3)(B) provides clearly that if no sale is made as part of the dissolution plan, the corporation

(A) …. In the case of a sale under this subparagraph where the consideration is in whole or in part other than cash, any shareholder, entitled to vote thereon, who does not vote for or consent in writing to such sale, shall, subject to and by complying with the provisions of section 623 (Procedure to enforce shareholder's right to receive payment for shares), have the right to receive payment for his shares. Section 909 (Sale, lease, exchange or other disposition of assets) is not applicable to a sale of assets under this paragraph.

(B) The corporation, whether or not it has made a sale under subparagraph (A), may distribute any remaining assets, in cash or in kind or partly each, among its shareholders according to their respective rights.

Prior to filing of this Offering Plan by the Department of Law, Sponsor shall have had served each Shareholder with notice attached hereto in Part II of the Plan, setting forth the following:

On October 9, 2018, Sponsor submitted to the New York state Department of Law, Real Estate Finance Bureau, a proposed offering plan for the conversion of 82-04 Lefferts Boulevard to a Condominium. The final offering plan has not yet been filed with the Department of Law. The law requires Sponsor to disclose all material information concerning the building and the conversion process in the proposed offering plan.

Upon acceptance for filing of the final offering plan with the Department of Law, the plan will be served on all Shareholders. The Attorney General strongly urges Shareholders to read the offering plan carefully and to consult with an attorney to advise as to the meaning and consequences of the offering plan and/or the conversion of this building and your shares from cooperative status to Condominium status. No Condominium Units may be sold or offered for sale, no purchase agreements may be executed, and no downpayments may be accepted by the Sponsor unless and until the Department of Law files the final offering plan.

Shareholders are advised to consult with an attorney prior to entering into a Distribution Agreement and participating in the conversion to discuss the potential consequences of the conversion. Shareholders are advised that the Condominium declaration cannot be filed and, therefore, this building will not be converted into a Condominium, unless and until both a Condominium Offering Plan for the building and a subsequent effectiveness amendment have been filed with the Department of Law; this building shall remain a cooperative until such point. Upon recording of the Condominium Declaration and maps and closing of the first Unit, Sponsor may declare the Cooperative Offering Plan abandoned by filing an amendment disclosing such abandonment and filing a RS-3 Form with the Department of Law.

Timeline of events leading up to abandonment of the Cooperative Offering Plan:

Steps	Action
1	Amendment No. 16 of the Cooperative is accepted for filing
2	Acceptance for filing of the Offering Plan
3	Closing of sale of the shares to the four (4) Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16 of the Cooperative
4	Distribution Agreement signed
5	Offering Plan declared effective
6	Filing of Declaration and Condominium maps
7	Closing of the First Unit
8	Dissolution of Cooperative (which shall NOT constitute a default under the current mortgage)
9	Abandonment of the Cooperative Offering Plan by filing amendment and RS-3 Form with Department of Law

2. The Conversion may trigger a default under individual mortgages held by Shareholders, as such, Shareholders must contact their mortgage lender prior to voting or entering into an agreement in regards to the conversion of their shares and to understand the direct implications of the Conversions with their current mortgage lender. Notwithstanding the foregoing, the Unit deed that will be distributed to the Shareholder, by the Corporation, will be subject to any mortgage currently outstanding and due to a financial institution (as evidenced by a properly filed UCC-1), unless the satisfaction of same has been evidenced by a properly filed UCC-13 termination at the time of the Unit deed transfer. The Unit Deed will identify the secured indebtedness as to the current secured lender, original amount and the filed UCC-1 number. The grantee of the Unit deed, the shareholder with the indebtedness, will acknowledge the debt and his/her obligation of the mortgage, if any, by signing the Unit Deed. The lender will be notified after the Unit Deed is recorded and will have the option to remain in its current status, requesting that the Unit owner execute a mortgage, or requiring that the loan be satisfied or refinanced. See Deed in Part II of the Offering Plan.

3. Unit Owners should note that the current Holder of Unsold Shares, namely 8336 Realty, LLC and MDCM, LLC as Co-Sponsors, maintain ownership of 20,482 shares

constituting 65.56%of shares in the Cooperative, which are allocated to twenty-three (23) out of the forty (40) residential Units, four (4) commercial Units and eleven (11) out of the thirteen (13) garage spaces in the Cooperative. Residential Unit 2D, owned by 8336 Realty, LLC, is rent-control Unit in compliance with all applicable rent-control laws and regulations. Garage Space # 3 is owned by Stella Yadegar Koshki and Garage Space # 7 is owned by Sharon Jain & Chandra Kant Jain. Co-Sponsors, after conversion, will own 65.225% of Units in the Condominium. See the Identity of Parties section of the Offering Plan.

The Unsold Share breakdown is as follow:

Unit	Holder of Unsold Shares/Units	Rent Controlled or Rent Regulated	Shares	Square Feet	Bdrm & Baths	% of Shares in Co-op	% of Common as a Condo	Offering Price as Condominium
Comm A	8336 Realty, LLC		1,139	1,217	Retail	3.627%	3.627%	
Comm B	8336 Realty, LLC		1,159	1,240	Retail	3.691%	3.691%	
Comm C	8336 Realty, LLC		1,538	1,642	Retail	4.898%	4.898%	
Comm D	8336 Realty, LLC		1,031	1,100	Retail	3.283%	3.283%	
2D	8336 Realty, LLC	X	695	849	1 Bdrm/1 Bth	2.213%	2.213%	
2E	8336 Realty, LLC		633	830	1 Bdrm/1 Bth	2.016%	2.016%	
2F	8336 Realty, LLC		610	745	1 Bdrm/1 Bth	1.943%	1.943%	
3B	8336 Realty, LLC		463	503	Studio	1.474%	1.474%	
3D	MDCM, LLC		700	849	1 Bdrm/1 Bth	2.229%	2.229%	
3E	8336 Realty, LLC		640	830	1 Bdrm/1 Bth	2.038%	2.038%	
3F	8336 Realty, LLC		617	745	1 Bdrm/1 Bth	1.965%	1.965%	
3G	8336 Realty, LLC		602	806	1 Bdrm/1 Bth	1.917%	1.917%	
3H	8336 Realty, LLC		694	847	1 Bdrm/1 Bth	2.210%	2.210%	
4A	8336 Realty, LLC		654	781	1 Bdrm/1 Bth	2.083%	2.083%	
4D	MDCM, LLC		710	849	1 Bdrm/1 Bth	2.261%	2.261%	
4E	8336 Realty, LLC		647	830	1 Bdrm/1 Bth	2.060%	2.060%	
4H	8336 Realty, LLC		701	847	1 Bdrm/1 Bth	2.232%	2.232%	
5A	8336 Realty, LLC		660	781	1 Bdrm/1 Bth	2.102%	2.102%	
5B	8336 Realty, LLC		494	503	Studio	1.573%	1.573%	
5C	MDCM, LLC		756	1,096	2 Bdrm/1 Bth	2.407%	2.407%	
5H	MDCM, LLC		707	847	1 Bdrm/1 Bth	2.251%	2.251%	

6A	8336 Realty, LLC		668	781	1 Bdrm/1 Bth	2.127%	2.127%	
6C	8336 Realty, LLC		762	1,096	2 Bdrm/1 Bth	2.427%	2.427%	
6D	8336 Realty, LLC		722	849	1 Bdrm/1 Bth	2.299%	2.299%	
6E	8336 Realty, LLC		660	830	1 Bdrm/1 Bth	2.102%	2.102%	
6F	8336 Realty, LLC		637	745	1 Bdrm/1 Bth	2.029%	2.029%	
6G	8336 Realty, LLC		633	806	1 Bdrm/1 Bth	2.016%	2.016%	
Gar1	MDCM, LLC		50			0.159%	0.159%	
Gar2	MDCM, LLC		50			0.159%	0.159%	
Gar4	MDCM, LLC		50			0.159%	0.159%	
Gar5	MDCM, LLC		50			0.159%	0.159%	
Gar6	MDCM, LLC		50			0.159%	0.159%	
Gar8	MDCM, LLC		50			0.159%	0.159%	
Gar9	MDCM, LLC		50			0.159%	0.159%	
Gar10	MDCM, LLC		50			0.159%	0.159%	
Gar11	MDCM, LLC		50			0.159%	0.159%	
Gar12	MDCM, LLC		50			0.159%	0.159%	
Gar13	MDCM, LLC		50			0.159%	0.159%	
Total			**20,482**	**23,844**		**65.225%**	**65.225%**	

See a copy of the PSA and Amendment to the PSA as Schedule M in Part II of the Plan.

Initially Co-Sponsor is offering only a portion of the total anticipated units in the Condominium as Co-Sponsor intends to withhold the four (4) Commercial Spaces and Apartment 4A.

Co-Sponsor will not rent the withheld Units before consummation of the Offering Plan and Co-Sponsor will amend the Offering Plan when it begins to offer withheld Units. Co-Sponsor's withholding of Units will not affect the timetable for the projected completion of the Condominium's amenities and services (if any). There is no current timeline for the release of Units onto the market.

After conversion, the total Common Elements held by Co-Sponsor constitute 65.56%, which are allocated to twenty-three (23) out of the forty (40) Residential Units, four (4) Commercial Units and eleven (11) out of the thirteen (13) garage spaces in the

Condominium. Co-Sponsors reserve the unlimited right to rent rather than sell the Unsold Units after consummation of the Plan.

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

4. As disclosed in Amendment No. 16, to the Cooperative Offering Plan, accepted by the NYS Department of Law December 17, 2020, Sponsor and Co-Sponsors will use the sale proceeds of the sale of the four (4) Commercial Units and Residential Unit 4A to pay off the Cooperative debt. The Holder of Unsold Shares has a current interest only loan at 4.0% (prevailing rate) that is collateralized by the unsold shares. The principal balance of the loan is $1,037,328. The monthly payments of principal and interest total $7,607.07. The Cooperative Debt, in this case a promissory note on the Building, in the amount of $1,100,000 (“Cooperative Debt”) in an arms-length transaction with Mr. & Mrs. Harvey Bookman for $800,000 and Heidi Bookman for $300,000 (“Private Lenders”) who are acquaintances of Chandra Jain, a Holder of Unsold Shares Representative and Board Member. The promissory note matured on August 27, 2020, at which time the Corporation received an extension to June 30, 2021. After a conversion, the corporation will not be held responsible for the Cooperative debt, as the individual Units will have mortgages collateralized by the Unit deeds.

The proceeds of the sale of shares of commercial units and unit 4A will be used to pay off the cooperative debt. As of January 1, 2021, the shares have been allocated but no closing of sale has taken place; such payment will be by bank wire transfer or certified funds. The cooperative has also received a proposal from National Cooperative Bank ("NCB"), located at 250 Park Avenue, Suite 900, New York, New York 10177, to finance the debt as a $1,100,000 first mortgage line of credit. The loan term would be 5 years at a floating interest rate at the NCB Prime Bank Rate, plus a spread of 0.50% with a 4.50% floor. Amortization would be interest only plus a minimum of $250 of principal per month.

Conversion Obligations paid off at sale of the Commercial Units and Unit 4A:

Item	**Amount**
Underlying Mortgage	1,100,000
Conversion Fee (all professional fees covered) Flat fee which includes: legal fees, engineer costs, architectural fees, title searches, recording services, expediting fees, consultants, reserve analysis, administration, financial planning, management, coordination, and other services and costs needed to complete the conversion.	400,000
Closing Costs (escrow, title, recording and Hold Out fees)	100,000
Total	**1,600,000**

See also letter from Auric Real Estate Management, LLC opining as to the adequacy of the Conversion Obligation amount, herein as Exhibit "A".

The purchase price of the Units is $1,600,000. Sponsor and Co-Sponsors shall also use the sale proceeds of the sale of the four (4) Commercial Units and Residential Unit 4A to pay the following conversion obligations, namely the Conversion Fees, including but not limited to legal fee, architect and engineering fee, consultant fee, accountant fee and Hold-Out Fee ("Conversion Obligation"). If Sponsor does not have sufficient funds to satisfy the Cooperative Debt and finance the Conversion Obligation, the Offering Plan shall not be declared effective, in which case Sponsor may 1) abandon the Offering Plan, or 2) file an amendment to the Offering Plan with the Department of Law requesting an extension of the Offering Plan for an extra year in order to raise sufficient funds to finance the Conversion Obligation. The Department of Law shall have the sole discretion on whether such request is granted. If the Department of Law denies such request, Sponsor may abandon the Offering Plan.

The current uses of all Commercial Units are: Commercial Unit A is a Tax Preparer's Office; Commercial Unit B and Unit C are used as Day Care for Children and Commercial Unit D is vacant.

Once the Plan has been declared effective, it may not thereafter be abandoned for any reason, except that, the Plan may be abandoned in the event of: (i) a defect in title which cannot be removed, cured or complied with without litigation or for less than one-half of one percent of the total offering amount in the aggregate; or (ii) a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty which cannot be cured, repaired or restored; or (iii) a taking of any material portion of the Property by condemnation or eminent domain. The amount relied upon in subdivisions (i) and (ii) herein as a basis for abandonment after effectiveness excludes any attorneys' fees or any such title defect or determinations of any authority or regulation association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within five (5) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective as above mentioned, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law.

It is anticipated that the closing to the first Unit will occur on or about May 1, 2022. In the event said date is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission. **Sponsor is withholding Unsold Units from sale.** As disclosed in Amendment No. 16 to the Cooperative Offering Plan, a Real Estate Purchase and Sale Agreement dated September 23, 2019 was fully executed between Sponsor and Co-Sponsor 8336 Realty, LLC for the purchase of the four (4) Commercial Units and Residential Unit 4A with the total purchase price of $1,600,000.00. The Cooperative (Sponsor) was represented by Robert J. Cecere in the purchase agreement negotiations and the approval of same by the shareholders. The purchaser (Co-Sponsor) was

represented by Anthony Agrippina, Esq., 1975 Hempstead Turnpike East Meadow, NY 11554. Mr. Cecere is not affiliated with Sponsor, Co-Sponsors or any member of the Board of the Cooperative, Sponsor and Co-Sponsors. The legal fee to Mr. Cecere for such representation is paid by the Cooperative as part of the Conversion Obligation. Attached as Exhibit "B" is a copy of the executed Agreement. In an effort to address any potential appearance of conflict, the Shareholders voted to approve the transaction with only one shareholder abstaining. Mr. Cecere has represented the Principal on other non-related matters.

The closing of all Commercial Units and Unit 4A is expected to occur within twelve (12) months following the acceptance for filing of the Amendment No. 16. Upon closing of those Units, 8336 Realty, LLC will receive corresponding stock certificates and proprietary leases for four (4) Commercial Units and Residential Unit 4A. This sale will fund the Conversion obligations. **The Corporation is not and shall not be held responsible for Holder's debt.**

Upon conversion, the deeds to all residential Units, commercial Units and garage space Units will be subject to the respective proprietary leases which eventually merge into the fee simple interest held by the Unit Owner under the merger doctrine, assuming that the leasehold interest and Unit deed are held by the same beneficial owner(s).

Under the merger doctrine in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative's interest in the Proprietary Lease, these will be recorded sequentially for each Unit with the first being the Grant deed.

The requirement that the greater and lesser estates be held at the "same time" does not mean that each interest must be "received" at the same time. It means that each interest must be in the "possession" of the same person, or class of persons, at the same time. Therefore, the fact that the grant deed to the shareholder, subject to the proprietary lease, is recorded first, followed immediately by the recordation of the assignment of the co-op's interest in the proprietary lease to the same shareholder, confirms that the two interests are held by the same shareholder at the same time, thereby allowing the merger of the estate to occur.

See table below for the steps in conversion relating to transfer of interest and documents:

Step	Purpose	Document	Recorded (Y/N)
1. Shareholder Agrees to Distribution	Shareholders accepts terms of receiving property ownership	Distribution Agreement	No
2. Unit Deeds is transferred	Ownership passes to Shareholder subject to Proprietary Lease	Grant Deed Subject to Proprietary Lease	Yes
3. Shareholder (now deed holder) receives assignment of Co-op's interest in the Proprietary Lease	Transfer to shareholder the Co-op's interest in the proprietary lease and accept the merger of the lease into the deed.	Assignment of Lessor Interest and Merger Agreement	Yes (right after the Deed is recorded)
4. The Proprietary Lease merges into the Deed	Merger of estates (Lease into the Deed) terminates the Proprietary Lease	None	N/A

Please refer to Part II of the Offering Plan.

The primary financial risk is that if the closing for the Commercial Units and Residential Unit 4A does not take place as disclosed in Amendment No. 16 of the Cooperative, the Offering Plan will not be declared effective, and therefore the underlying mortgage and funding for the aggregate Conversion Obligation will not be available. In that event, the Offering Plan may be delayed or Sponsor may file an amendment with Department of Law to extend the Offering Plan for additional one year to pay-off the cooperative mortgages and to finance the Conversion Obligation.

After the effectiveness of the Offering Plan and Group closing, Sponsor will start the dissolution procedure. Sponsor must first get pre-approval from the New York State Department of Taxation and Finance and The Commissioner of Finance of the City of New York before filing Certificate of Dissolution with the New York Department of State. The Corporation will be unable to pursue corporate dissolution if the Corporation has outstanding tax liability or is not current with its tax return filings. Therefore, the Cooperative must pay off all outstanding tax liabilities and keep all its tax return filings current before dissolution. After dissolution plan is approved, the Cooperative will wind up its affairs, pay all liabilities and distribute its assets to its shareholders. **Neither the dissolution nor the conversion would constitute a default under the current mortgage.**

5. The Condominium plans to retain a full-time live-in superintendent who will reside in Unit 4A. The Condominium has made arrangements with the purchaser of Unit 4A to lease such Unit for the next five (5) years as part of the package sale of the Commercial Units and Unit 4A to fund the Conversion Plan. The purchaser has agreed to lease back Unit 4A to the Condominium as the Superintendents' Unit at a substantially reduced rent with the maximum monthly rental rate equally no more than the sum of the

monthly Condominium fees and estimated property taxes for the Units. The amount is projected to be $9,500.00 per year and is included in the Condominium's First Year Annual Budget as an operating expense.

In the event the Condominium fails to lease back Unit 4A or other Unit in the Condominium, the Condominium will purchase or rent a Unit within 1 miles of the Condominium for the full-time Superintendent. Shareholder should note that this will be a new expense as the Cooperative did not pay rent on the Superintendent's Unit prior to the Conversion.

6. Shareholders should note that the current Cooperative Debt of approximately $1,100,000 is secured by the Cooperative's Property as collateral, which will be satisfied from the sale proceeds of the four (4) Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16 of the Cooperative prior to the effectiveness of the Condominium Offering Plan. Therefore, the Condominium Offering Plan that has been, or will be, adopted by the Cooperative, would **not** constitute a default under the Cooperative Debt.

The cooperative has also received a proposal from National Cooperative Bank ("NCB"), located at 250 Park Avenue, Suite 900, New York, New York 10177, to finance the debt as a $1,100,000 first mortgage line of credit. The loan term would be 5 years at a floating interest rate at the NCB Prime Bank Rate, plus a spread of 0.50% with a 4.50% floor. Amortization would be interest only plus a minimum of $250 of principal per month.

The Corporation is not and shall not be held responsible for Holder's debt.

7. Shareholders should note that in the event the requisite shareholder vote to convert to Condominium is obtained through the execution of the Distribution Agreement, the entire building will become a Condominium. As such, any Shareholders who 1) do not participate in the Group Closing even if they indicated their consent, dissent or abstention to the Conversion in the Distribution Agreement; or 2) participate in the Group Closing but do not fund their own closing costs, will be considered owners of a Hold-Out Unit, as defined herein.

Although the Corporation's governing documents are silent about the treatment of Hold-Out Units, the treatment of Hold-out Units shall be in compliance with New York Business Corporation Law. Pursuant to Section 1005 of the BCL, after dissolution plan is approved, the Cooperative will wind up its affairs, pay all liabilities and distribute its assets to its shareholders. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities. Since Shareholders' liability is only limited to the payment of Hold-out Fee, the owners of the Hold-Out Units will only be responsible for their Hold-out Fee. Hold-Out Units will be converted to Condominium Units as part of the conversion by having the Cooperative deliver Unit deeds for such Units to the Condominium Board as custodian for the benefit of the respective shareholder(s) of said Unit(s). The Hold-Out Fee for the Hold-Out Units will be funded

through the sale proceeds as defined herein at the time of the Group Closings. The owners of the Hold-Out Units will be treated as a Condominium owner that participated in Group Closings but will be invoiced by the Condominium Board for their Hold-Out Fee as a special assessment. Such owners of Hold-out Units shall pay said special assessment monthly together with the monthly Common Charges until they are paid off in full. As with any owner in the Condominium, if the Hold-Out Fee assessments of a Hold-Out Unit are not paid, the Condominium Board may place a lien on the Unit and initiate foreclosure based on its governing documents and New York law. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities. See letter from Schwartz Sladkus Reich Greenberg Atlas LLP, herein as Exhibit "C" and letter dated June 15, 2020 from Cesarano & Khan, PC ("Cesarano"), a Certified Public Accountants, 199 Jericho Turnpike, Suite 400, Floral Park, New York 11001, herein as Exhibit "D" for tax opinion and information.

Using the assumptions made by Cesarano in Exhibit "D", the Corporate Tax calculated under such methods can range from zero (no tax) to as much as $537,830 (in the unlikely event that the fair market value excluded the encumbrance of the proprietary lease). If the Corporate Tax were determined to be more than zero, the shareholders would pay their pro-rata share per the terms each agreed to under the Distribution Agreement Paragraph 1(D). See Distribution Agreement in part II of the Plan.

Sponsor will have no voting control over the Board after closing of the first Unit. Co-Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the conveyance of the first Unit, or (ii) thirty (30) days after the conveyance of seventy-five (75%) percent of all Residential Units, including at least 12 Unsold Units, in the Condominium, whichever is sooner ("Initial Control Period"). Thereafter, Co-Sponsor shall retain the right to designate two (2) Members of the Board of Managers until such time as Co-Sponsor no longer owns a Unit. Co-Sponsor will own four (4) Commercial Units, twenty-three (23) Residential Units and eleven (11) Garage Parking Units in the Condominium, constituting 65.225% of the common interest in the Condominium as a result of the Conversation. Garage Parking Unit Owners are not entitled to any board designation rights unless such rights are exercised in connection with their ownership of a Residential or Commercial Unit.

8. The New York City Department of Finance is the assessing authority with jurisdiction over this Condominium. Real estate tax estimates are based upon current tax information from the Cooperative Apartment Corporation tax bills. The current tax bill has been divided and allocated among the Units, based upon their Percentage of Common Interest. Although the aforesaid estimate of actual assessed valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In no event will the consultant, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually

made, is lesser or greater than that predicted above or if the administrative code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented, prove to be untrue. See Section XV for a further discussion of the real estate taxes.

Upon dissolution of the Corporation, as a result of the conversion from the cooperative to Condominium, the Corporation will no longer be in IRC 216 status and will be extinguished without incurring any tax liabilities (gain tax, if applicable, excepted). (For detail, please refer to 26 U.S. Code § 216 - Deduction of taxes, interest, and business depreciation by cooperative housing corporation tenant-stockholder.) The Shareholders of the Corporation, however, upon closing, become Unit Owners of the Condominium Units and are obligated to pay their own real estate taxes directly to the Department of Finance. A Residential Unit Owner shall be entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Residential Unit, up to a maximum of $10,000 per year. Purchaser should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

The corporate level of taxation is different for the Shareholders who use their Unit as their primary residence as compared to those holding the Unit as a second home or as an investment. Internal Revenue Code (IRC), Section 216 (e), provides that no gain or loss shall be recognized at the corporate level on the distribution by a cooperative housing corporation of a dwelling Unit to a shareholder if such distribution is in exchange for the stockholder's share or interest in the corporation and such dwelling Unit is used as his principal residence. Therefore, the Cooperative will have to recognize a gain or loss on the distribution of a Unit to a shareholder who does not use such Unit as his/her primary residence. Internal Revenue Service (IRS) provided guidance on this issue in a Private Letter Ruling (PLR) that supports the Consultant's approach to the fair market value of an encumbered deed with the proprietary lease that is distributed to the shareholder of a Unit. In that PLR, the IRS determined that encumbrance of the proprietary lease held by the shareholder for the Unit must be considered in establishing the fair market value of the Unit that is distributed to the shareholder during conversion.

Pursuant to a letter dated June 15, 2020 from Cesarano & Khan, PC ("Cesarano"), a Certified Public Accountants, 199 Jericho Turnpike, Suite 400, Floral Park, New York 11001, herein as Exhibit "D" Section 216 of Internal Revenue Code ("IRC") provides that except as provided in regulations, no gain or loss shall be recognized on the distribution by a cooperative housing corporation of a dwelling Unit to a stocker holder in such corporation if such distribution is in exchange for the stockholder's stock in such corporation and such dwelling Unit is used as his principal residence. Therefore, no gain is recognized by the Cooperative on distribution of a dwelling Unit to a shareholder if the distribution is in exchange for said shareholder's stock in the Cooperative and the distributed dwelling Unit is used as said shareholder's principal residence.

Cesarano, in a letter dated November 4, 2020 (“Exhibit E”), advised there are potentially two (2) levels of income tax liability, one for the corporation (“Corporate Tax”) and one for the individual shareholders (“Individual Tax”). Both the Corporate Tax and the Individual Tax requires that the fair market value (“FMV”) of the asset being distributed to the shareholder by the Corporation be determined in some objective manner. In this case, the asset will be the lease-encumbered unit deed to the apartment that the co-op shareholder has the proprietary leasehold interest in and the FMV will to be determined through an independent appraisal of the unit deed subject to and encumbered by the proprietary lease. The resulting FMV would then be used to compare to the tax basis for both the Corporation and the individual shareholder to determine if there was a gain or loss. If there is a gain for the Corporation, it would be reduced by the proportionate share of the units that are occupied by the respective shareholder as their principal residence in accordance with Internal Revenue Code (IRC) Section 216 (e). Thereafter, any net operating loss carryforwards could further reduce the net gain before the federal capital gain tax percentage is applied to determine the potential projected Corporate Tax resulting from the conversion.

Cesarano further stated that the exchange of the Cooperative shares for a Condominium Unit may be a taxable event. Therefore, the conversion of the Cooperative to the Condominium may result in tax liabilities payable by the shareholder who does not use their Unit as his/her primary residence. However, under Section 121 of IRC, $250,000 (or $500,000 for married taxpayers filing jointly) can be excluded from any resulting gain by qualifying shareholders. Additionally, if a shareholder has been holding the Cooperative shares for investment or use in a trade or business, the exchange may be treated as a tax-deferred exchange under Section 1031 of IRC (provided that the IRS continues to treat the Cooperative shares as interests in real property.)

Cesarano stated that in determining tax liability for either the Cooperative or its shareholders, any gain will depend on the value of the asset that is distributed to the shareholder and the tax basis of that asset for the Cooperative. Moreover, any net operating loss carryforward may offset such tax liability, subject to the 80% net operating loss provision and other provisions included in the “Tax Cuts and Jobs Act”. As the tax basis, valuation of the asset distributed and the tax status for each Unit and each shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile. **THEREFORE, ALL SHAREHOLDERS ARE ENCOURAGED TO CONSULT WITH THEIR OWN TAX ADVISOR OR PROFESSIONAL AS TO THE POTENTIAL TAX IMPACT OF THE CONVERSION OF THEIR OWNERSHIP IN THE COOPERATIVE TO A CONDOMINIUM.**

EACH SHAREHOLDER SHOULD ALSO CONSULT WITH THEIR OWN TAX ADVISOR FOR THE PAYMENT OF THE INCOME TAX LIABILITY AND IS RESPONSIBLE TO PAY THE INCOME TAXES, IF ANY, AT CLOSING OF THEIR RESPECTIVE UNIT where their respective shares are converted to an ownership interest in the Condominium in the form of title in fee to this/her individual Unit and an undivided interest in the Common Elements of the Condominium.

SEE EXHIBITS C and D HEREIN.

Moritt Hock & Hamroff LLP, as set forth in Section XXV Identity of Parties in Part I of the Offering Plan, makes no representations as to the implications set forth herein and rely all the tax representations of Sponsor's tax professionals as set forth in the Opinion Letter from Cesarano, included in Section I Certifications of Part II of the Offering Plan. (See Part II of the Offering Plan for detail.)

Unit Owners should note that the Offering Plan for the Cooperative was filed with the Department of Law on or about August 10, 1984 with file No. C83-0412. The last Amendment to the Offering Plan No.15 was Amendment No.16 accepted by the Department of Law, December 17, 2020. Copies of the Cooperative Offering Plan and all amendments will be available for inspection by Unit Owners and their attorneys without charge and for copying at a reasonable charge at the Condominium site and at the New York State Department of Law, 28 Liberty Street, New York, New York 10005. There has been no purchase agreement entered into since the Offering Plan for the Cooperative was last amended.

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert.

9. Unit Owners should note the information previously circulated by The Hutton Group, Inc., LLC, with respect to the conversion of the Cooperative to Condominium, was not reviewed by the New York State Department of Law prior to circulation and may contain conflicting disclosures than as contained within this Offering Plan. Unit Owners are advised to disregard any previous information and all other previously disseminated information regarding the Conversion is hereby superseded by the provisions of this Plan and the requirements of applicable law.

The Plan constitutes the entire offer to convert the Shares or sell the Condominium Units, as the case maybe, and must, among other things and at a minimum, contains in detail the terms of the transaction and be complete, current and accurate; afford investors, purchasers, and other participants an adequate basis upon which to find their judgment; not omit any material fact; not contain any untrue statement of a material fact and not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale.

10. Smoking Policy. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the Board of Managers (the "Board") of the Condominium has adopted the following smoking policy (the "Smoking Policy") for the Building:

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all Unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on any area attached to individual apartments, (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units). However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

11. Garage Parking Unit Owner and Commercial Units are not entitled to any board designation rights.

12. Sponsor will not be providing any major fixtures, such as refrigerator, stove, plumbing fixtures, etc., and all Units are conveyed in “as is” condition.

13. There are currently no tax abatement/benefits on the Property except for the Star Tax Abatement applied for by the individual Shareholders. Sponsor has no intention to apply for any tax abatement/benefits on the Property and qualified Unit Owners may apply for the Star Tax Abatement. Please refer to https://www.tax.ny.gov/star/ for detail.

The projected real estate taxes of the Cooperative is allocated to each Unit in proportion to their respective shares and included in the monthly projected maintenance, payable by Shareholders monthly. The projected real estate taxes of the Condominium is allocated to each Unit in proportion to their respective Common Interest, payable by Unit Owner to the New York City Department of Finance quarterly, which are paid separately by Unit Owner, and not included in the monthly projected Common Charges. See Schedule A.

14. Sponsor/Co-Sponsor acknowledges that the Conversion shall not permit any Owner of the Units containing residential rental apartments to remove any such residential rental apartments from regulation (if applicable) pursuant to the exemption for Units owned as a cooperative or Condominium under the Rent Stabilization Code (9 N.Y.C.R.R. §2520.11.), the Emergency Tenant Protection Act of 1974 (9 N.Y.C.R.R. §2500.9.), and/or the Rent Stabilization Law of 1969 (N.Y.C. Admin. Code §26-504) (hereinafter collectively referred to as the "Rent Stabilization Laws").

Sponsor/Co-Sponsor further acknowledges that the Conversion does not change the requirement under N.Y. Real Prop. Law § 421-a that all residential rental apartments are subject to Rent Stabilization Laws, during the period and under the circumstances stated in N.Y. Real Prop. Law § 421-a and the rules promulgated thereunder. Nothing contained herein shall preclude the filing and acceptance of an offering plan in compliance with General Business Law § 352-e (and §352-eee or 352-eeee, as applicable) and the governing regulations, nor shall anything contained herein preclude the execution of bona fide interim leases that are not subject to Rent Stabilization, subsequent to the acceptable for filing of an offering plan pursuant to 13 N.Y.C.R.R Part 20 or 21 (if applicable).

15. Although the Cooperative received Commercial Rent Income in the past, this income will not be available to the Condominium as any income derived from the Commercial Units will inure solely to the benefit of the Co-Sponsor, as Purchaser of the Commercial Units pursuant to the terms of the Conversion. However, the Condominium will receive Common Charges from the Commercial Units based upon the Common Interest percentage and Condominium budget.

16. Pursuant to Article 5 of New York Business Corporation Law ("BCL"), Section 510(a), a Corporation may distribute property to its shareholders. In this case, when an exchange or other disposition of all or substantially all the assets of the Corporation to the Condominium occurs, the Corporation will be automatically dissolved. The Unit Deeds will be distributed to the holders of shares and the accompanying proprietary leases to their respective Units. Under Article 10 of the BCL, Section 1005 (3)(A), the corporation, if authorized at a meeting of shareholders by a majority of the

votes of all outstanding shares entitled to vote thereon may sell its remaining assets, or any part thereof, for shares, bonds or other securities or partly for cash and partly for shares, bonds or other securities, and distribute the same among the shareholders according to their respective rights. Winding up the affairs of such dissolved Corporation will proceed in accordance with the provisions of Article 10 of BCL. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities. Further, pursuant to Article 10 of the BCL, the dissenting shareholder does not have a right to receive payments for his shares; the sale of the Commercial Units and Residential Unit 4A shall be used to pay off the underlying mortgage and the Conversion obligation as well as reduce the debt and vendor costs. See letter from Schwartz et al, as Exhibit "C" herein.

Upon acceptance for filing of the Offering Plan by the Department of Law, each Shareholder shall be given the Distribution Agreement for review within five (5) business days. After the execution of the Distribution Agreement by at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative, the Offering Plan will be amended accordingly to declare effectiveness provided that the Cooperative Debt are paid off in full and Conversion Obligation is funded sufficiently with the sale proceeds of the Commercial Units and Residential Units 4A as disclosed in Amendment No. 16 to the Cooperative Offering Plan. Upon the effectiveness of the Offering Plan, Sponsor shall file the Declaration and Condominium maps accordingly. Upon filing of the Declaration and Condominium maps, the deeds to individual Units will be distributed to all Unit Owners who participate in the Group Closings by executing appropriate closing documents and paying corresponding closing costs. Those Shareholders who fail to participate in the Group Closings or participate in Group Closings but fail to execute closing documents and pay corresponding closing costs no matter they consent to, dissent or abstain from the Conversion, will be treated as Hold-out Units. The Unit deeds for such Owners of Hold-Out Units will be held by the Condominium Board in escrow until they pay off their Conversion Obligation.

17. Payment of Transfer Taxes. The Distribution of the Unit Deeds to the Unit Owners is exempt from New York State Real Property Transfer Tax and the New York City Real Property Transfer Tax as there is no change to the beneficial ownership since the deeds are distributed to the exact owner(s) of the stock and proprietary lease of corresponding Units. However, pursuant to the terms of this Offering Plan and the Purchase Agreement for the Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16, purchaser shall pay at the closing of their Units the New York State Real Property Transfer Tax and the New York City Real Property Transfer Tax notwithstanding the fact that these taxes are by law the primary obligation of the Sponsor. For purposes of calculating the transfer taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. If applicable, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the New York State Tax Law, commonly referred to as the "Mansion Tax", which by law is the primary obligation of the Purchaser.

In the event the Units have not been separately assessed for real estate tax purposes, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against said Unit for the six (6) month period following the first closing. Said amount is to be paid by Unit Owner. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the un-transferred Units for such six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be Cooperative maintenance charges, if any, Common Charges, and real estate taxes, if any. The adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the closing. The Sponsor will advise the Unit Owner of the closing date by giving him written notice at least thirty (30) days prior to the closing date.

18. Sponsor will not undertake any improvements or construction on the Property. The Offering Plan does not include a Description of Property and Specifications or building condition, conforming to the requirements of 12 NYCRR 20.7, nor does it contain a certification by engineer or architect attesting to the accuracy and sufficiency of the same.

19. The powers of the respective Boards of the Cooperative and Condominium are clearly described in the governing documents of each entity including their respective By-Laws, Declaration, Articles of Incorporation and Proprietary Lease, the following is a summary of the most important differences between them:

ITEM	COOPERATIVE BOARD POWERS	CONDOMINIUM BOARD POWERS
Approve New Buyer	Full Right	No Right
Approve Unit Financing	Full Right	No Right
Borrow Money	Full Right	No Right over $25,000 without Unit Owner approval
Determine House Rules	Full Right	Partial Right; Must be consistent with Declaration and By-Laws
Replace Vacancies on the Board	Full Right	Full Right until next election

20. Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which materially affects a Commercial Unit, may not be adopted without the written consent of the affected Commercial Unit Owner.

Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which materially affects a Parking Garage Unit, may not be adopted without the written consent of the affected Parking Garage Unit Owner.

Notwithstanding any provision contained herein to the contrary, no amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of the mortgages or the Holder of Unsold Units.

21. Unit Owner should note that the approximate physical dimensions of each Unit shall consist of the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors, and enclosed vertically by the underside of the Unit's finished flooring and the unexposed side of the Unit's drywall ceiling where applicable. Therefore, the Units are not based upon measurements from interior surfaces of interior walls, and the actual area comprising the Unit is significantly less than the area listed in Schedule A in Part I of the Plan and Floor Plan in Part II of the Plan.

22. Unit Owner should note that the Corporation is involved in various matters of litigation arising in the ordinary course of business. When appropriate, claims are submitted to the Corporation's insurance carrier.

In February 2017, the Board of Directors reached a settlement with one Shareholder wherein the Shareholder was permitted to sell the apartment and vacate the Unit. The Unit was sold and outstanding arrears of $29,397 were recorded as bad debt expense for the year ending December 31, 2017.

In 2016-2017 audited Financial Statements of the Corporation, there was net income in the year of 2016, but there were net losses in the year of 2017 due to the payment of bad debt expense mentioned in above settlement.

In February 2020, the Corporation secured funding sufficient to retire the NCB mortgage by issuing promissory notes totaling $1,100,000 ("Cooperative Debt"), in an arms-length transaction, with Mr. & Mrs. Harvey Bookman for $800,000 and Heidi Bookman for $300,000 ("Private Lenders") who are acquaintances of Chandra Jain (who abstained from voting), a Holder of Unsold Shares Representative and Board Member. The promissory notes matured on August 27, 2020, at which time the Corporation received an extension to May 27, 2021. The promissory notes require cumulative monthly payments of $4,125 applied to interest only at the rate of 4.50% per annum. The Board was represented by Mr. Cercere. They are notes secured by a mortgage and therefore are a lien on the land and building constituting the cooperative. The notes will be paid off

with the sale of the shares. Attached as Exhibit “F” herein is a copy of the Promissory Note.

The cooperative has also received a proposal from National Cooperative Bank ("NCB"), located at 250 Park Avenue, Suite 900, New York, New York 10177, to finance the debt as a $1,100,000 first mortgage line of credit. The loan term would be 5 years at a floating interest rate at the NCB Prime Bank Rate, plus a spread of 0.50% with a 4.50% floor. Amortization would be interest only plus a minimum of $250 of principal per month. Annexed hereto as Exhibit "G" is the proposed term sheet from NCB.

This transaction was not required to be approved by shareholders. The Conversion will have no negative effect on above losses and financial obligations. However, Unit Owners should note that the insurance for the Condominium may increase in the event of litigation.

The Corporation is not and shall not be held responsible for Holder’s debt.

23. The Board of the Condominium employs and terminates the employment of employees and independent contractors and purchases supplies and equipment, enters into contracts, and generally has the powers of a manager in connection with the matters hereinabove set forth in accordance with the budget for the Condominium.

24. Unit Owner should note that the Board of Managers does not have the right to approve or disapprove purchasers, that there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and that there may always be a substantial percentage of owners who are non-residents.

Any prices reflected in the Plan or hereinafter disclosed in an amendment to the plan are not subject to approval by the Department of Law or any other government agency.

25. There is a laundry room located in the cellar of the Building. All washers and dryers in the laundry room are coin-operated. The laundry room is part of Common Elements shared by all Unit Owners of the Building.

26. The floor plans of the Building are included in the Offering Plan. See Part II of the Offering Plan for floor plan detail.

27. Unit Owners should note that the Board may install a sub or separate water meter for the Commercial Units in the Condominium in the future if the Commercial Units are deemed to utilize significantly more water/sewer services, thereby causing the Residential Unit Owners to subsidize this expense in favor of the Commercial Units.

28. There are no financial obligations that will become due within the next year (other than mortgage on the Property to be paid off and expenses set forth herein). There

are no capital expenditures that commenced within the past year. The Conversion has no impact on the financial obligations and capital expenditures as above mentioned.

A copy of the financial statements for 2019 are included herein as Exhibit “H”.

29. Anything related to the Dissolution of the Cooperative contained in the Resolution passed on November 6, 2017 will be superseded by this Offering Plan. Please refer to the Resolution in Part II of the Offering Plan for detail.

30. Sponsor will distribute the deed to the Unit subject to the specific proprietary lease between the Shareholder and the Sponsor for that specific Unit. Given that all proprietary leases expire on December 31, 2083, there remains at least another 64 years of break-even rent payments arising from this Unit with virtually all the “bundle of rights” of property ownership retained by the current lessee of the Unit, including the right to occupy, sublease, mortgage, pledge or otherwise benefit from and thereby encumbering the Unit deed. In other words, whomever the Unit deed is distributed to subject to the current proprietary lease encumbering the Unit will not receive any rent payments in excess of the cost to maintain the Unit (no net cash flow) nor take rightful possession or occupancy. Accordingly, the encumbered fair market value of the Unit deeds being distributed to the shareholders is de minimis and therefore any capital gain attributed to the Corporation may actually be a net loss rather than a gain. Under the merger doctrine in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative’s interest in the proprietary lease, the proprietary lease will merge into the Unit deed. The recording of the Unit deed (which will be subject to the proprietary lease) for each respective Unit will be followed by the recording of assignment and assumption of lessor’s Interest in lease and occupancy agreement and merger of estates for each Unit as well which will complete the merger. Upon the recordation of the merger of estates and completion of the merger, the proprietary lease will be extinguished and will cease to exist. In the event a Unit Owner were to resell his or her Unit, the purchaser of said Unit would receive a Unit deed without any subjection to the proprietary lease. The Distribution Agreement, paragraph 1D, sets forth, in part "… the Receiving Shareholders agrees to remain personally responsible for its pro-rata share of Corporate federal or state income tax liability, if any, that may be imposed in the future as they may relate to the Conversion Plan or the Conversion of this Unit and agrees to remit such amounts upon 30 days’ notice." See Exhibit “D” herein for further discussion.

31. Upon execution of Distribution Agreement by Shareholder, Shareholder does not acquire any title to the Condominium Unit. The risk of loss or damage by fire or other casualty is assumed by Corporation until the deed of conveyance is delivered to Shareholder.

If the distribution is not completed within one (1) year after the full execution of the Distribution Agreement, Shareholder shall have the option to terminate the Distribution

Agreement by written notice to Corporation, in which event neither party shall have any further liability to the other under the Distribution Agreement.

Shareholder hereby waives its rights to a trial by jury in any civil action against Corporation relating to or arising out of the terms, covenants and conditions of Distribution Agreement.

At the exclusive option of the Shareholder, any claim which might be the subject of a civil action against the Corporation or Condominium which involves an amount less than $2,500.00 and arises out of or relates to Distribution Agreement or the Unit or project to which this agreement relates, shall be settled by binding arbitration conducted by the American Arbitration Association. The arbitration shall be conducted in accordance with applicable law and the currently applicable rules of the American Arbitration Association. Judgment upon the award rendered by arbitration may be entered in a circuit court of appropriate jurisdiction. The parties acknowledge that options for appeal are limited with respect to matters submitted to arbitration.

32. Shareholder shall pay his or her own estimated closing costs at closing, including but not limited to any and all amounts then due and owing by Shareholder to Corporation under the proprietary lease, any promissory note of Shareholder payable to Corporation, any other instruments by and between Corporation and Shareholder and any other fees, charges or other amounts outstanding and payable to Corporation as of the closing date; the amount of common expenses assessed against the Condominium Unit for the month following the closing date; and Shareholder's share of the costs of conversion not already paid by the Corporation and delivered to the Shareholder for special and supplemental services by The Hutton Group and other professionals that the Shareholder may in writing separately arrange to be performed.

33. As disclosed in Amendment No. 16 to the Cooperative Offering Plan, Co-Sponsor will have a loan secured by the Unsold Units for a total sum of $3,250,000 to refinance the existing mortgages of the Co-Sponsors and to partially finance the purchase of the Commercial Units and Residential Unit 4A. Co-Sponsor has received a proposal from National Cooperative Bank ("NCB"), located at 250 Park Avenue, Suite 900, New York, New York 10177, to finance the debt as a $1,100,000 first mortgage line of credit. The loan term would be 5 years at a floating interest rate at the NCB Prime Bank Rate, plus a spread of 0.50% with a 4.50% floor. Amortization would be interest only plus a minimum of $250 of principal per month. Annexed hereto as Exhibit "G" is the proposed term sheet from NCB.

34. Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker. Such action will constitute a material breach of the Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

35. Sponsor is the Selling Agent. Purchaser represents that no broker other than Seller's broker (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith and Seller shall not be responsible for any co-broker commission.

36. Jack Boyajian is the President of The Hutton Group, Inc ("Hutton") but has never had an ownership interest in Hutton. Hutton is owned by David and Arnaud Boyajian, who are two sons of Jack Boyajian. From 2001 through 2006, Jack Boyajian was the owner of two separate law firms, Boyajian Law Offices and JBC Legal Group ("Law Firms"), each with multiple offices throughout the country. Nearly all of their work was connected to consumer debt collections, distressed debt management and legal representation relating to creditor's rights. While there were several civil suits filed against the Law Firms by private and public entities, most resulted in dismissal or settlements and the remaining were either adjudicated, satisfied or dismissed by the court. In 2007, the Attorney General of New York brought an action against the Law Firms and obtained a civil judgement for the restitution of certain fees collected from debtors who paid their debts to clients represented by the Law Firms. The Law Firms and Jack Boyajian were never subject to any indictments or convictions related to any such activities. Neither the Law Firms nor Mr. Boyajian were ever indicted or convicted. The Attorney General has not imposed any restrictions or bans on Mr. Boyajian, nor has Mr. Boyajian entered into any settlement agreements or Assurances of Discontinuances with the Attorney General of the State of New York.

The payment to Hutton Group is contingent upon the conversion to a Condominium.

THE BEVERLY CONDOMINIUM

PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the conversion of the Cooperative consisting of forty (40) cooperative residential Units, four (4) retail Units and thirteen (13) garage spaces ("Property") into a Condominium community consisting of forty (40) Residential Units, four (4) Commercial Units and thirteen (13) Garage Parking Units (the "Units") in a Condominium to be known as The Beverly Condominium ("Condominium"), located at 82-04 Lefferts Boulevard, Kew Gardens, Queens, New York 11415. The Corporation will be dissolved as part of the Conversion and Shareholders will be entitled to a distribution of Unit Deed (in accordance with the provisions of applicable law and the governing documents of the Cooperative).

The purpose of the Plan is to set forth all material terms of the Conversion and offer of Condominium Units, as the case may be.

The Plan may be amended at any time and from time to time provided that the amendment is duly filed with the Department of Law of the State of New York and is served on Unit Owners and offerees as defined in 13 NYCRR 20.1(d).

A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-Laws will be recorded prior to conveyance of title to the first Unit by the Sponsor. The Property will be subject to the Condominium Act. The Declaration and By-Laws are set forth in this Offering Plan and will not be changed so as to adversely affect the Unit Owner. This Offering Plan and the accompanying documentation should be carefully studied by Prospective Unit Owners and their attorneys prior to the purchase of a Unit.

The Sponsor of the Condominium is 82-04 Lefferts Tenants Corp., a New York cooperative apartment corporation, and its successors and/or assigns, all of which are collectively referred to as "Sponsor", with an address at c/o, 97-07 63rd Road, Mgmt Office Rego Park, NY 11374. Sponsor 82-04 Lefferts Tenants Corp. acquired the Property on February 11, 1986.

The Co-Sponsors of the Condominium are 8336 Realty, LLC, a New York limited liability company and MDCM, LLC, a New York limited liability company, and their respective successors and/or assigns, all of which are collectively referred to as "Co-Sponsors" and individually as "Co-Sponsor", with address at 83-36 Beverly Road, Apt. #2C Kew Gardens, NY 11415.

The Condominium will contain forty (40) Residential Units, four (4) Commercial Units and thirteen (13) Garage Parking Units located in a six (6) story building with cellar level.

Co-Sponsor reserves the unlimited right to rent rather than sell the Unsold Units after consummation of the Plan. Co-Sponsor is withholding the Unsold Units from the sale.

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

The Condominium Offering Plan shall not be declared effective until 1) all of the Shareholders of the Cooperative shall be provided a Distribution Agreement where the Shareholders can either consent, dissent or abstain (by not responding) to the conversion of their respective shares to an ownership interest in the Condominium in the form of title in fee to this/her individual Unit and an undivided interest in the Common Elements of the Condominium ("Distribution Agreement"); 2) at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative have consented to the Conversion in their respective Distribution Agreement; 3) satisfaction of the Cooperative Debt and availability of sufficient funds for the full payment of the Conversion Obligation generated from the sale proceeds of the successful closing of four (4) Commercial Units and Residential Unit 4A pursuant to Amendment No.16 to the Cooperative Offering Plan, accepted by the Dept. of Law, December 17, 2020; and 4) subsequent thereto, an effectiveness amendment shall have been accepted for filing by the Department of Law. See Distribution Agreement in Part II of the Plan.

The Offering Plan shall also not be declared effective based on Purchase Agreements with any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent or is a Principal of the Sponsor, the Selling Agent or the Managing Agent or is related to the Sponsor, the Selling Agent or the Managing Agent or to any Principal of the Sponsor or the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a Principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

If Sponsor does not have sufficient funds to satisfy the Cooperative Debt and finance the Conversion Obligation, the Offering Plan shall not be declared effective, in which case Sponsor may 1) abandon the Offering Plan, or 2) file an amendment to the Offering Plan with the Department of Law requesting an extension of the Offering Plan for an extra year in order to raise sufficient funds to finance the Conversion Obligation. The Department of Law shall have the sole discretion on whether such request is granted.

If the Department of Law denies such request, Sponsor may abandon the Offering Plan. **The Corporation is not and shall not be held responsible for Holder's debt.**

Once the Plan has been declared effective, Sponsor may not abandon the plan after effectiveness for any reason other than:(i) a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount; (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain.

The amount relied upon in subdivisions (i) and (ii) herein as a basis for abandonment after effectiveness excludes any attorneys' fees or any such title defect or determinations of any authority or regulation association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within five (5) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective as above mentioned, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law. Shareholders are advised that the Condominium Declaration cannot be filed and, therefore, this building will not be converted into a Condominium, unless and until both a Condominium Offering Plan for the building and a subsequent effectiveness amendment have been filed with the Department of Law; this building shall remain a cooperative until such point. Upon recording of the Condominium Declaration and maps and closing of the first Unit, Sponsor may declare the Cooperative Offering Plan abandoned by filing an amendment disclosing such abandonment and filing a RS-3 Form with the Department of Law.

The timeline of events leading up to the abandonment of the Cooperative Offering Plan will be as below:

Steps	Action
1	Amendment No. 16 of the Cooperative is accepted for filing
2	Acceptance for filing of the Offering Plan
3	Closing of sale of the shares to the four (4) Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16 of the Cooperative
4	Distribution Agreement signed
5	Offering Plan declared effective
6	Filing of Declaration and Condominium maps
7	Closing of the First Unit
8	Dissolution of Cooperative (this will NOT constitute a default under the current mortgage)
9	Abandonment of the Cooperative Offering Plan by filing amendment and RS-3 Form with Department of Law

Initially Co-Sponsor is offering only a portion of the total anticipated units in the Condominium as Co-Sponsor intends to withhold the four (4) Commercial Spaces and Apartment 4A.

Co-Sponsor will not rent the withheld Units before consummation of the Offering Plan and Co-Sponsor will amend the Offering Plan when it begins to offer withheld Units. Co-Sponsor's withholding of Units will not affect the timetable for the projected completion of the Condominium's amenities and services (if any). There is no current timeline for the release of Units onto the market.

The Sponsor will declare the Plan effective by personal service of notice on every Purchaser and/or Shareholder or commencement of service by mail, stating that the Plan has been declared effective. Sponsor will, within five (5) business days of said notice, submit for filing an amendment to the Plan disclosing the Plan's effectiveness and will file an affidavit of service of the notice on all Purchasers and/Shareholders. Sponsor will not close title to the first Unsold Unit until the amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General. 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) based on Purchase Agreements where the Purchaser has not had at least three (3) business days to review the Offering Plan and all filed amendments.

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

If the Condominium Offering Plan is abandoned, all deposits and interests accrued thereon from the Unsold Units will be refunded in full to Purchasers within five (5) business days following the acceptance of filing by the Department of Law of such withdrawal or abandonment, except that after the Plan has been declared effective, Sponsor may retain the deposit of any Purchaser who is then in default under his Purchase Agreement beyond the applicable grace period or whose Purchase Agreement has been cancelled due to such Purchaser's default, provided, that any requisite notice has been given to the Purchaser. Upon the return or retention of the deposit, the Purchase Agreement pursuant

to which such deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Purchase Agreement.

The four (4) Commercial Units are used for commercial purpose and any other lawful purposes permitted under the local zoning code, including but not limited to day care, office, medical or health related purposes.

The current uses of all Commercial Units are: Commercial Unit A is a Tax Preparer's Office; Commercial Unit B and Unit C are used as Day Care for Children and Commercial Unit D is vacant.

The Residential Unit 4A, upon closing as disclosed in Amendment No. 16, may be leased back by the Board as a superintendent's Unit. The basis for calculating the Common Interests of the Commercial Units are 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 compliance with Section 339-i (1) (iv) of the Real Property Law of the State of New York. The Common Charges payable by each Commercial Unit Owner are based upon the Common Interest allocated to such Unit and sufficient to cover the expenses fairly attributable to such Unit. In the event the Common Charges are insufficient, the Condominium may increase the Common Charges or impose a special assessment upon all affected Units, including Commercial Units. The allocation of Common Charges attributable to the Commercial Unit(s) shall also reflect special or exclusive use or availability or exclusive control of particular common areas. The commercial Units are restricted to its current use, as classified on the Certificate of Occupancy, and the Commercial Unit Owners shall have no right to subdivide the Commercial Unit without the prior written consent of the Board of Managers of the Condominium.

The Commercial Unit Owner has same rights or obligations with those of the Residential Unit unless otherwise specified in the Plan. For any different rights and obligations, they will not have a material adverse impact on the Condominium.

As disclosed in Amendment No. 16 to the Cooperative Offering Plan, Sponsor and Co-Sponsors will use the sale proceeds of the sale of the four (4) Commercial Units and Residential Unit 4A to 1) satisfy the Cooperative Debt, and 2) finance the Conversion Obligation. The Conversion Obligation, namely the Conversion Fees includes, but is not limited to, legal fee, architect and engineering fee, consultant fee and accountant fee ("Conversion Obligation") The Shareholders of the Cooperative, however, shall pay their own closing costs including, but not limited to, recording fee, to receive the Unit Deed. (Please refer to Section XIV of Part I of the Plan for Closing Costs and Adjustments.)

The Corporation is not and shall not be held responsible for Holder's debt.

The timeline of events leading up to the Group Closing of all Units and dissolution of the Corporation will be as below:

Steps	Action
1	Amendment No. 16 of the Cooperative (accepted for filing 12/17/20)
2	Acceptance for filing of the Offering Plan; however, this may happen after the closing of sale and payoff of the loan
3	Closing of sale of the shares to the four (4) Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16 of the Cooperative, with proceeds from said closing for paying off the underlying cooperative mortgage and funding the Conversion Fees
4	Distribution Agreement signed
5	Offering Plan declared effective
6	Filing of Declaration and Condominium maps
7	Group closings a. Unit deeds are recorded b. Condominium Board Receives Other Assets of the Cooperative, if any, and holds deeds for Hold-Out Units in escrow c. Individual loans on Units, if any, are modified or refinanced as Condominium Units
8	Dissolution of Cooperative (which shall NOT constitute a default under the current mortgage)

After the effectiveness of the Offering Plan and Group closing, Sponsor will start the dissolution procedure. Sponsor must first get pre-approval from the New York State Department of Taxation and Finance and The Commissioner of Finance of the City of New York before filing Certificate of Dissolution with the New York Department of State. The Corporation will be unable to pursue corporate dissolution if the Corporation has outstanding tax liability or is not current with its tax return filings. Therefore, the Cooperative shall pay off all outstanding tax liabilities and keep all its tax return filings current before dissolution. After dissolution plan is approved, the Cooperative will wind up its affairs, pay **all** liabilities and distribute its assets to its shareholders.

Shareholders should note that in the event the requisite shareholder vote to convert to Condominium is obtained, the entire building may become a Condominium. As such, any Shareholders, who 1) do not participate in the Group Closing even if they indicated their consent, dissent or abstention to the Conversion in the Distribution Agreement; or 2) participate in the Group Closing but do not fund their own closing costs, will be considered owners of a Hold-Out Unit, as defined herein. Hold-Out Units will be converted to Condominium Units as part of the Conversion Plan by having the Cooperative deliver Unit deeds for such Units to the Condominium Board as custodian for the benefit of the respective shareholder(s) of said Unit(s). The Conversion Obligations and the Hold-Out fee for the Hold-Out Units will be funded through the sale proceeds as defined herein at the time of the Group Closings. The owners of the Hold-Out Units will be treated as a Condominium owner that participated in Group Closings but will be invoiced by the Condominium Board for their Hold-Out Fee as a special assessment. As with any owner in the Condominium, if the Hold-Out Fee to be charged as a special assessment to a Hold-Out Unit are not paid, the Condominium Board may

place a lien on such Unit and initiate foreclosure of such Unit based on its governing documents and New York law. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities.

All portions of the Condominium, excluding the Units, are Common Elements of the Condominium. The Common Elements are divided into General Common Elements for use by all Unit Owners and Limited Common Elements which are Common Elements irrevocably restricted in use to specified Units and Unit Owners.

A. General Common Elements - General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Units or Unit Owners) and include without limitation the following:

1. The land on which the Building is erected and all other land within the boundaries of the property;

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Units located between the unexposed faces of the sheetrock walls enclosing the Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock;

4. Roofs, stairs and stairways, which are not located wholly within a Unit and entrances to and exits from a Building other than entrances to the individual Units;

5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that service two (2) or more Units;

9. All pedestrian walkways, intended for the common use of all Unit Owners;

10. The intercom system;

11. The elevator;

12. The laundry room;

13. Any meeting spaces or common gathering spaces; and

14. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property.

B. Irrevocably Restricted Areas/Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Commercial Units' Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Commercial Units and are herein sometimes collectively referred to as the "Commercial Units Limited Common Elements":

   (a) The entrances to and exits from the Commercial Units.

   (b) The equipment and facilities that service solely the Commercial Units and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Commercial Units.

   (c) All signage and exterior decoration and painting, canopies shall be subject to Board approval.

   The Commercial Units Limited Common Elements servicing the individual Commercial Units shall be maintained, repaired and replaced by the individual Commercial Unit Owners at the Commercial Unit Owners' sole expense.

2. <u>General Residential Units' Limited Common Elements:</u> The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein,

sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

(a) The residential entrance and lobby;

(b) The residential stairway;

(c) The residential elevator;

(d) The residential hallways;

(e) Any heating, cooling or other mechanical system servicing exclusively the Residential Units that are located in the Common Elements; and

(f) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively all the Residential Units.

3. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements":

(a) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements; and

(b) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit.

C. Provisions Applicable to All Common Elements -

1. The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

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

3. The percentage of the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

4. The undivided interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

All maintenance, repairs and replacements to the Common Elements including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall arrange for the repair all Common Elements including but not limited to plumbing stoppages, electrical repairs, general repairs, cleaning, painting and any requirements from governmental officials or agency for the safety and security of residents within in the Common Elements.

All maintenance within the Unit including but not limited to electrical and plumbing repairs in the Units, painting and decorating of the inside of the Units, repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers on behalf of the Condominium), kitchen cabinets, lighting fixtures, bathroom fixtures, kitchen appliances and repairs to any heating (boiler)/air conditioning/hot water system servicing a Unit, pipes, wires and conduits located within or without the same Unit other than as set forth above shall be made by the respective Unit Owners at their own expense.

All general maintenance, cleaning and all repairs not structural in nature, including but not limited to the repair of leaks shall be the responsibility of the Unit Owner whose fire escape is appurtenant to their Unit and is a Limited Common Element of their Unit. No Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to any Limited Common Element, without the prior written approval of the Board of Managers.

All maintenance, repairs and replacements to the Garage Parking Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by said Parking Garage Unit Owners.

As in the ownership of a private one (1) family home, the Unit Owner of a Residential Unit in a Condominium (the “Residential Unit Owner”) owns their Residential Unit in fee simple absolute and is entitled to exclusive possession of their Residential Unit. Each Unit Owner of a Residential Unit will also own an undivided interest in and right to use the General Common Elements and a right to use the Limited Common Elements that pertain to an individual Residential Unit or to all the Residential Units. A

full description of the General and applicable Limited Common Elements is described above.

As in the ownership of a private commercial property, the Commercial Unit in a Condominium (the "Commercial Unit Owner") owns their Commercial Unit in fee simple absolute and is entitled to exclusive possession of their Commercial Unit. Each Commercial Unit Owner will also own an undivided interest in and right to use the General Common Elements and a right to use the Limited Common Elements that pertain to an individual Commercial Unit or to all the Commercial Units. A full description of the General and applicable Limited Common Elements is described above.

The approximate physical dimensions of each Unit shall consist of the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors, and enclosed vertically by the underside of the Unit's finished flooring and the unexposed side of the Unit's drywall ceiling where applicable. Therefore, the Units are not based upon measurements from interior surfaces of interior walls, and the actual area comprising the Unit is significantly less than the area listed in Schedule A in Part I of the Plan and Floor Plan in Part II of the Plan.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339-i and 339-m of the New York Condominium Act. Monthly Common Charges may commence with the closing of the first Unit, which is expected to be on or about May 1, 2022. Once title has passed to a Unit Owner, the Unit Owner will be responsible for all costs, including all Common Charges and individual expenses associated with the Unit, as well as any costs associated with the Limited Common Elements that pertain to the Unit Owner.

A Unit Owner, upon acquiring title to their Unit, will be obligated to comply with the Declaration of Condominium, Condominium By-Laws and its rules and regulations and any other requirements of the Board of Managers of the Condominium.

All Residential Units shall be used for residential purposes only. All rentals, including those of the Holder of Unsold Units, shall be subject to local zoning ordinances and must comply with the requirements contained in Condominium By-Laws under Article XI, Section 2. All Commercial Units may be used for the purpose stated in the Plan and any other lawful use permitted by the applicable zoning laws of the City of New York. However, any uses that are commonly considered offensive, such as pornography stores, massage parlors, drug treatment facilities, homeless shelters are strictly forbidden. The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Units but shall have the right to exclude food or chemicals (except for medical use) and unless it affects the General Common Elements, General Residential Units' Limited Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute. No rules affecting

the operation of the Commercial Unit may be adopted or modified by the Board of Managers without the consent of the Commercial Unit Owner, which consent shall not be unreasonably delayed or withheld.

Garage Parking Units may only be used for the purpose of parking automobiles and other permitted vehicles, which can only be sold and/or conveyed to a current or future Residential Unit Owners**.** In no event shall Garage Parking Units be enclosed or converted into additional residential living or storage space.

Units can be sold by a Unit Owner, provided that the Unit Owner is not in arrears on the payment of Common Charges and special assessment, if any (except where the payment of such unpaid Common Charges or special assessment is paid by the Unit Owner or provided for out of the proceeds of the sale) and subject to restrictions contained in the mortgage, if any, covering their Unit. A Unit Owner is free to make a gift of their Unit to anyone during their lifetime or to devise their Unit by will, or to have it pass by intestacy without any restriction. No Unit can be sold without a simultaneous sale of the undivided interest in the Limited Common Elements that pertain to the Unit.

Each Unit Owner can sell their Unit to whomever they desire. Unit Owners may lease their Units subject to the conditions contained in Section XIV of the Offering Plan and Article XI of the By-laws of the Condominium.

A Unit Owner may mortgage their Unit at any time after they acquire title to the Unit in whatever amount and under whatever terms they can obtain. Any Unit Owner may also, upon the resale of their Unit, grant a purchase money mortgage to a purchasing Unit Owner of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges and special assessment, if any, are provided for at the closing of the mortgage.

Primary responsibility for operating the Condominium rests with the Board of Managers who is elected by the Unit Owners. See Schedule G, Article III in Part II of the Plan. For information concerning Sponsor's initial control of the Board of Managers, see Section XIV of the Offering Plan.

Each Unit Owner, upon obtaining title, will automatically have one (1) vote at all meetings of the Unit Owners for each of the Units owned by such Unit Owner.

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Residential Unit Owner shall be entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Residential Unit, up to a maximum of $10,000 per year. Purchaser should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold; a Unit Owner may not be able to realize a deduction for amounts over the $10,000

threshold. In addition, provided the Residential Unit will be the Residential Unit Owner's principal residence or one (1) other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986, a Residential Unit Owner may also deduct the interest on the mortgage they procure to finance the purchase of their Residential Unit, up to a maximum loan amount of $750,000, for income tax purposes. See Section XVI of the Offering Plan.

Fire and liability insurance covering the General Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Unit Owner's personal effects, the interior of the Unit and the Limited Common Elements for an individual Unit Owner's exclusive use must be carried by the individual Unit Owner. Common Charges are levied in proportion to the interest in the "Common Elements" appurtenant to each Unit. For possible increases in Common Charges upon default in payment by a Unit Owner see Section XIV of the Offering Plan. Each Unit Owner is responsible for the cost of their own interior repairs and decoration in their Unit after closing.

The Units will include only the appliances and fixtures currently contained therein, in their present, as-is, condition, normal wear and tear excepted.

The laundry room is located on the cellar of the Building. All washers and dryers in the laundry room are coin-generated. The laundry room is part of Common Elements shared by all Unit Owners of the Building.

Unit Owner should note that the Board of Managers does not have the right to approve or disapprove purchasers, that there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and that there may always be a substantial percentage of owners who are non-residents.

Any prices reflected in the Plan or hereinafter disclosed in an amendment to the plan are not subject to approval by the Department of Law or any other government agency.

From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

Purchaser represents that no broker (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

This Offering Plan contains all of the material terms of this transaction. Parts I and II of the Offering Plan constitute the entire Offering Plan. Copies of the Offering will be available for inspection by prospective Unit Owners and their attorneys without charge and for copying at a reasonable charge at the Condominium site and at the New York State Department of Law, 28 Liberty Street, New York, New York 10005.

THE CONVERSION OF A COOPERATIVE TO A CONDOMINIUM AND OFFER TO SELL UNSOLD UNITS HAVE MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A DISTRIBUTION AGREEMENT.

II. DEFINITIONS

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

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.

2. "Board Member" or "Member" - Each individual representative elected, designated or appointed to the Board of Managers. The Board Members are classified as follows:

   (a) "Residential Members" – The Members of the Board of Managers elected by the Residential Units Owners, exclusively.

   (b) "Commercial Members" – The Members of the Board of Managers elected or appointed by the Commercial Units Owner(s), exclusively.

3. "Building" – The six (6) story building containing forty (40) Residential Units, four (4) Commercial Units and thirteen (13) Garage Parking Units.

4. "By-Laws" - The document governing the operation of the Condominium.

5. "Commercial Units" – The Commercial Units designated in the Declaration of Condominium for commercial use.

6. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

7. "Common Elements" - All portions of the Condominium, other than the Units. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners, Individual Residential Units and the Commercial Units Limited Common Elements which are Common

Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner or the Commercial Units Owner and General Residential Units' Limited Common Elements which are Common Elements restricted for the exclusive use of the Residential Unit Owners.

8. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

9. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements.

10. "Community" or "Development" - As used herein refers to The BEVERLY Condominium.

11. "Cooperative" or "Corporation" – As used herein refers to 82-04 Lefferts Tenants Corp.

12. "Condominium" or "Property" – The BEVERLY Condominium, which is comprised of the Common Elements, Units and Unit Owners.

13. "Conversion" – It refers to the conversion of the Cooperative to the Condominium where the shares of the Shareholders in the Cooperative are converted to an ownership interest in the Condominium by distribution of the title in fee to his/her individual Unit and an undivided interest in the Common Elements of the Condominium.

14. "Conversion Obligation" - includes legal fee, architect and engineering fee, consultant fee, accountant fee, Hold-Out fee.

15. "Conversion Fees" – refer to fees required to be paid by shareholders under Conversion Obligation, including legal fee, architect and engineering fee, consultant fee, accountant fee, Hold-Out Fee.

16. "Declaration of Condominium" - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time is amended, consistent with the provisions of the Condominium Act and of the By-Laws.

17. “Distribution Agreement” - The document to be executed by the Shareholders where the Shareholders can either consent, dissent or abstain (by not responding) to the conversion of their respective shares to an ownership interest in the Condominium by the distribution of the title in fee to his/her individual Unit and an undivided interest in the Common Elements of the Condominium.

    In the Distribution Agreement, the following representations are included: 1) The Shareholder reviewed the Offering Plan at least thirty (30) days prior to the execution of the Distribution Agreement; 2) The Shareholder has executed the Distribution Agreement pursuant to an offering made without fraud or any discriminatory inducements; and 3) a clear indication as to whether Shareholder is consenting or dissenting to the Conversion of his/her respective shares in the Cooperative.

18. “Garage Parking Unit” – One (1) of the thirteen (13) Garage Parking Units designated in the Declaration of Condominium for garage parking within the building.

19. “Group Closings” or “Group Closing”– shall mean the transfer of the title to the Units in the Condominium where the Unit Deeds are distributed to each Shareholder that holds the leasehold under Proprietary Lease within certain period.

20. “Holder of Unsold Shares” – shall mean the Co-Sponsor or any successor in interest to such Co-Sponsor who does not occupy the Unit for use and occupancy by himself or a member of his immediate family and who has registered as a broker-dealer with the Investor Protection Bureau of the State of New York.

21. “Holder of Unsold Units” - An “Unsold Unit” is a Unit that is owned by the Co-Sponsor, as defined in 13 NYCRR Part 23 and any successor in interest to such Co-Sponsor who does not occupy the Unit for use and occupancy by himself or a member of his immediate family and who has registered as a broker-dealer with the Investor Protection Bureau of the State of New York. A person who owns such a Unit is called a “Holder of Unsold Units.”

22. “Hold-Out Units” – shall mean and refer to the Units that are allocated to those shareholders who 1) do not participate in the Group Closing even if they indicated their consent, dissent or abstention to the Conversion in the Distribution Agreement; or 2) participate in the Group Closing but do not fund their own closing costs.

23. “Hold-Out Fee” – shall mean closing costs for a particular Hold-Out Unit, plus additional conversion fees and legal fees related to processing the respective Hold-Out Unit.

24. “Irrevocably Restricted” or “Limited Common Elements” - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The Limited Common Elements are divided as follows:

    (a) “General Residential Units’ Limited Common Element” - The areas of the Building which are irrevocably restricted and for the exclusive use of the Residential Unit Owners.

    (b) “Individual Residential Unit Limited Common Element” - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Residential Unit.

    (c) “Commercial Units Limited Common Element” - The areas of the Building which are irrevocably restricted and for the exclusive use of the Commercial Units.

25. “Purchaser” - The person(s) or entities who have entered into a Purchase Agreement to acquire an Unit to be Sold in the Condominium.

26. “Shareholder” - The shareholders of 82-04 Lefferts Tenants Corp., a New York cooperative apartment corporation.

27. “Residential Unit” - One (1) of the forty (40) Residential Units designated in the Declaration of Condominium for residential use.

    The approximate physical dimensions of each Residential Unit shall consist of the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors, and enclosed vertically by the underside of the Residential Unit’s finished flooring and the unexposed side of the Residential Unit’s drywall ceiling where applicable. Therefore, the Units are not based upon measurements from interior surfaces of interior walls, and the actual area comprising the Unit is significantly less than the area listed in Schedule A in Part I of the Plan and Floor Plan in Part II of the Plan. The doors and windows which open from the Residential Unit shall be deemed part of the Residential Unit. No Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines or Common Elements running through the

Residential Unit which are utilized for or serve more than one (1) Residential Unit. The Description of Residential Units set forth herein pertains to the location of the walls, floors and roof of the Residential Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

As used herein the terms “Residential Unit”, “Commercial Units” and “Garage Parking Unit” are equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

28. “Sponsor” – shall refer to 82-04 Lefferts Tenants Corp., a New York cooperative apartment corporation legally incorporated and validly existing under the laws of New York, and its successors and/or assigns, all of which are collectively referred to as “Sponsor”, with an address at c/o, 97-07 63rd Road, Mgmt Office Rego Park, NY 11374.

29. “Co-Sponsor” - shall refer to 8336 Realty, LLC, a New York limited liability company and MDCM, LLC, a New York limited liability company, legally formed and validly existing under the laws of New York, and their respective successors and/or assigns, all of which are collectively referred to as “Co-Sponsors” and individually as “Co-Sponsor”, with address at 83-36 Beverly Road, Apt. #2C Kew Gardens, NY 11415

30. “Unit” - A Unit includes all the Units in the Condominium and is divided as follows:

    (a) “Residential Units” - The Units designated in the Declaration of Condominium for residential use.

    (b) “Commercial Units” – The Units designated in the Declaration of Condominium for commercial use.

    (c) “Garage Parking Unit Owner” – The Units designated as Garage Parking Units in the Declaration of Condominium.

    As used herein the term “Residential Unit, Commercial Units and Garage Parking Units” are equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

31. “Unit Owner” - A Unit Owner includes all the Unit Owners in the Condominium and are divided as follows:

    (a) “Residential Unit Owner” - The owner of a Residential Unit.

(b) “Commercial Units” – The owner of the Commercial Units.

(c) “Garage Parking Unit Owner” – The owner of a Garage Parking Unit.

32. “Unsold Residential Unit” or “Unsold Unit” - Any Residential Unit in which title is retained by the Holder of Unsold Units and any successors or assigns until such time as the same has been sold and title conveyed to a third party. It shall not include a Residential Unit which is used for personal occupancy of the Holder of Unsold Units, any of its principals or any of its successors or assigns.

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Improvements - General Description

The existing building, consisting of forty (40) cooperative residential apartments, four (4) retail Units and thirteen (13) garage spaces shall not be modified and/or altered, and will be converted into a Condominium form of ownership. Each cooperative residential apartment will become a Residential Unit, each retail Unit will become a Commercial Unit and each garage space will become a Garage Parking Unit in the Condominium. All existing shared, cooperatively owned, spaces within the building will become Common Elements of the Condominium.

Sponsor will not undertake any improvements or construction on the Property. The Offering Plan does not include a Description of Property and Specifications or building condition, conforming to the requirements of 12 NYCRR 20.7, nor does it contain a certification by engineer or architect attesting to the accuracy and sufficiency of the same.

The floor plans of the Building are included in the Offering Plan. See Part II of the Offering Plan for floor plan detail.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements, including any Limited Common Elements, or located in other Units and servicing the Unit Owner’s Unit. Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Building or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or by reason of

an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units. The Board of Managers, its agents and employees shall have a right of access to the Units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been made 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. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

"As-is" Condition of all Units

Sponsor will not be providing any major fixtures, such as refrigerator, stove, plumbing fixtures, etc., and all Units are conveyed in "as is" condition.

Parking Facilities

Garage Parking Units may be used only for the purpose of parking automobiles and other permitted vehicles. In no event shall Garage Parking Units be enclosed or converted into additional residential living or storage space. Garage Parking Units can only be sold and/or conveyed to a current or future Residential Unit Owners.

IV. SCHEDULE A

The Beverly Condominium
Projected Real Estate Taxes and Condo Fees
For First Year Beginning
MAY 1, 2022 TO APRIL 30, 2023

Unit	Co-op Shares Before Conver-sion	Square Feet	Number of Bedrooms and Bathrooms	% of Common Interest	Projected Monthly Real Estate Taxes	Projected Monthly Common Charges	Projected Monthly Carrying Charges	Projected Annual Real Estate Taxes
Comm A	1,139	1217	Retail	3.627%	685.82	798.91	1,484.73	8,229.81
Comm B	1,159	1240	Retail	3.691%	697.86	812.94	1,510.80	8,374.32
Comm C	1,538	1642	Retail	4.898%	926.06	1,078.78	2,004.84	11,112.77
Comm D	1,031	1100	Retail	3.283%	620.79	723.16	1,343.95	7,449.46
2A	640	781	1 Bdrm/1 Bth	2.038%	385.36	448.91	834.27	4,624.30
2B	474	503	Studio	1.509%	285.41	332.47	617.88	3,424.87
2C	735	1096	2 Bdrm/1 Bth	2.341%	442.56	515.54	958.10	5,310.72
2D	695	849	1 Bdrm/1 Bth	2.213%	418.48	487.49	905.96	5,021.70
2E	633	830	1 Bdrm/1 Bth	2.016%	381.14	444.00	825.14	4,573.72
2F	610	745	1 Bdrm/1 Bth	1.943%	367.29	427.86	795.16	4,407.54
2G	595	806	1 Bdrm/1 Bth	1.895%	358.26	417.34	775.61	4,299.16
2H	687	847	1 Bdrm/1 Bth	2.188%	413.66	481.87	895.53	4,963.90
3A	648	781	1 Bdrm/1 Bth	2.064%	390.18	454.52	844.69	4,682.11
3B	463	503	Studio	1.474%	278.78	324.76	603.54	3,345.39
3C	743	1096	2 Bdrm/1 Bth	2.366%	447.38	521.15	968.53	5,368.52
3D	700	849	1 Bdrm/1 Bth	2.229%	421.49	490.99	912.48	5,057.83
3E	640	830	1 Bdrm/1 Bth	2.038%	385.36	448.91	834.27	4,624.30
3F	617	745	1 Bdrm/1 Bth	1.965%	371.51	432.77	804.28	4,458.12
3G	602	806	1 Bdrm/1 Bth	1.917%	362.48	422.25	784.73	4,349.73
3H	694	847	1 Bdrm/1 Bth	2.210%	417.87	486.78	904.66	5,014.48
4A	654	781	1 Bdrm/1 Bth	2.083%	393.79	458.73	852.52	4,725.46
4B	487	503	Studio	1.551%	293.23	341.59	634.82	3,518.80

4C	749	1096	2 Bdrm/1 Bth	2.385%	450.99	525.36	976.35	5,411.88
4D	710	849	1 Bdrm/1 Bth	2.261%	427.51	498.01	925.51	5,130.08
4E	647	830	1 Bdrm/1 Bth	2.060%	389.57	453.82	843.39	4,674.88
4F	624	745	1 Bdrm/1 Bth	1.987%	375.72	437.68	813.41	4,508.69
4G	609	806	1 Bdrm/1 Bth	1.939%	366.69	427.16	793.86	4,400.31
4H	701	847	1 Bdrm/1 Bth	2.232%	422.09	491.69	913.78	5,065.06
5A	660	781	1 Bdrm/1 Bth	2.102%	397.40	462.94	860.34	4,768.81
5B	494	503	Studio	1.573%	297.45	346.50	643.95	3,569.38
5C	756	1096	2 Bdrm/1 Bth	2.407%	455.20	530.27	985.48	5,462.46
5D	715	849	1 Bdrm/1 Bth	2.277%	430.52	501.51	932.03	5,166.21
5E	654	830	1 Bdrm/1 Bth	2.083%	393.79	458.73	852.52	4,725.46
5F	630	745	1 Bdrm/1 Bth	2.006%	379.34	441.89	821.23	4,552.05
5G	616	806	1 Bdrm/1 Bth	1.962%	370.91	432.07	802.98	4,450.89
5H	707	847	1 Bdrm/1 Bth	2.251%	425.70	495.90	921.60	5,108.41
6A	668	781	1 Bdrm/1 Bth	2.127%	402.22	468.55	870.76	4,826.61
6B	500	503	Studio	1.592%	301.06	350.71	651.77	3,612.74
6C	762	1096	2 Bdrm/1 Bth	2.427%	458.82	534.48	993.30	5,505.81
6D	722	849	1 Bdrm/1 Bth	2.299%	434.73	506.42	941.16	5,216.79
6E	660	830	1 Bdrm/1 Bth	2.102%	397.40	462.94	860.34	4,768.81
6F	637	745	1 Bdrm/1 Bth	2.029%	383.55	446.80	830.36	4,602.63
6G	633	806	1 Bdrm/1 Bth	2.016%	381.14	444.00	825.14	4,573.72
6H	714	847	1 Bdrm/1 Bth	2.274%	429.92	500.81	930.73	5,158.99
Gar1	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar2	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar3	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar4	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar5	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar6	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar7	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar8	50		Parking	0.159%	30.11	35.07	65.18	361.27

Gar9	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar10	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar11	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar12	50		Parking	0.159%	30.11	35.07	65.18	361.27
Gar13	50		Parking	0.159%	30.11	35.07	65.18	361.27
Total	**31,402**			**100.000%**	**$18,907.85**	**$22,025.92**	**$40,933.77**	**$226,894.24**

Schedule A-1
The Beverly Condominium
Unsold Units Held by Co-Sponsor

Unit	Holder of Unsold Shares/Units	Rent Controlled or Rent Regulated	Shares	Square Feet	Bdrm & Baths	% of Shares in Co-op	% of Common as a Condo	Offering Price as Condominium
Comm A	8336 Realty, LLC		1,139	1,217	Retail	3.627%	3.627%	
Comm B	8336 Realty, LLC		1,159	1,240	Retail	3.691%	3.691%	
Comm C	8336 Realty, LLC		1,538	1,642	Retail	4.898%	4.898%	
Comm D	8336 Realty, LLC		1,031	1,100	Retail	3.283%	3.283%	
2D	8336 Realty, LLC	X	695	849	1 Bdrm/1 Bth	2.213%	2.213%	
2E	8336 Realty, LLC		633	830	1 Bdrm/1 Bth	2.016%	2.016%	
2F	8336 Realty, LLC		610	745	1 Bdrm/1 Bth	1.943%	1.943%	
3B	8336 Realty, LLC		463	503	Studio	1.474%	1.474%	
3D	MDCM, LLC		700	849	1 Bdrm/1 Bth	2.229%	2.229%	
3E	8336 Realty, LLC		640	830	1 Bdrm/1 Bth	2.038%	2.038%	
3F	8336 Realty, LLC		617	745	1 Bdrm/1 Bth	1.965%	1.965%	
3G	8336 Realty, LLC		602	806	1 Bdrm/1 Bth	1.917%	1.917%	
3H	8336 Realty, LLC		694	847	1 Bdrm/1 Bth	2.210%	2.210%	
4A	8336 Realty, LLC		654	781	1 Bdrm/1 Bth	2.083%	2.083%	
4D	MDCM, LLC		710	849	1 Bdrm/1 Bth	2.261%	2.261%	
4E	8336 Realty, LLC		647	830	1 Bdrm/1 Bth	2.060%	2.060%	
4H	8336 Realty, LLC		701	847	1 Bdrm/1 Bth	2.232%	2.232%	
5A	8336 Realty, LLC		660	781	1 Bdrm/1 Bth	2.102%	2.102%	
5B	8336 Realty, LLC		494	503	Studio	1.573%	1.573%	
5C	MDCM, LLC		756	1,096	2 Bdrm/1 Bth	2.407%	2.407%	
5H	MDCM, LLC		707	847	1 Bdrm/1 Bth	2.251%	2.251%	
6A	8336 Realty, LLC		668	781	1 Bdrm/1 Bth	2.127%	2.127%	
6C	8336 Realty, LLC		762	1,096	2 Bdrm/1 Bth	2.427%	2.427%	
6D	8336 Realty, LLC		722	849	1 Bdrm/1 Bth	2.299%	2.299%	

Unit	Holder of Unsold Shares/Units	Rent Controlled or Rent Regulated	Shares	Square Feet	Bdrm & Baths	% of Shares in Co-op	% of Common as a Condo	Offering Price as Condominium
6E	8336 Realty, LLC		660	830	1 Bdrm/1 Bth	2.102%	2.102%	
6F	8336 Realty, LLC		637	745	1 Bdrm/1 Bth	2.029%	2.029%	
6G	8336 Realty, LLC		633	806	1 Bdrm/1 Bth	2.016%	2.016%	
Gar1	MDCM, LLC		50			0.159%	0.159%	
Gar2	MDCM, LLC		50			0.159%	0.159%	
Gar4	MDCM, LLC		50			0.159%	0.159%	
Gar5	MDCM, LLC		50			0.159%	0.159%	
Gar6	MDCM, LLC		50			0.159%	0.159%	
Gar8	MDCM, LLC		50			0.159%	0.159%	
Gar9	MDCM, LLC		50			0.159%	0.159%	
Gar10	MDCM, LLC		50			0.159%	0.159%	
Gar11	MDCM, LLC		50			0.159%	0.159%	
Gar12	MDCM, LLC		50			0.159%	0.159%	
Gar13	MDCM, LLC		50			0.159%	0.159%	
Total			**20,482**	**23,844**		**65.225%**	**65.225%**	

FOOTNOTES TO SCHEDULE A & A1

1. There are six (6) floors in the Condominium. Unit Owners shall refer to the Floor Plans included in Part II of the Plan for approximate dimensions and typical layouts of Units. The methods of calculating the number of bedrooms is in accordance with the Zoning Code of the City of New York, which requires the bedrooms to meet certain standard of "habitability" with minimum size and lighting. A bathroom with lavatory and shower or bathtub as one (1) bath, and a bathroom with a lavatory and toilet only counts as ½ bath. The dining area, study rooms and closets, etc., are not counted as rooms.

   The following is a listing of Unit Information:

   Retail A on the 1st floor with an approximate area of 1217 sq.ft:
   1 Storage Room, 1 Conference Room, 1 Office, 1 Lobby, 1 ½ Bathroom

   Retail B on the 1st floor with an approximate area of 1240 sq.ft:
   1 Bathroom, 1 Class Room, 1 Office, 1 ½ Bathroom

   Retail C on the 1st floor with an approximate area of 1642 sq.ft:
   2 Class Rooms, 2 ½ Baths, 1 ½ Bath is Handicap accessible

   Retail D on the 1st floor with an approximate area of 1100 sq.ft:
   1 Dry Cleaner, 1 ½ Baths

   Unit A on 2nd floor through 6th floor with an approximate area of 781 sq.ft:
   1 Bedroom, 1 Living Room & Bedding Area, 1 Kitchen, 1 Bath

   Unit B on 2nd floor through 6th floor with an approximate area of 503 sq.ft:
   0 Bedroom, 1 Living Room, 1 Kitchen, 1 Bath

   Unit C on 2nd floor through 6th floor with an approximate area of 1096 sq.ft:
   2 Bedrooms, 1 Living Room, 1 Kitchen, 1 Bath

   Unit D on 2nd floor through 6th floor with an approximate area of 849 sq.ft:
   1 Bedroom, 1 Living Room, 1 Kitchen, 1 Bath

   Unit E on 2nd floor through 6th floor with an approximate area of 830 sq.ft:
   1 Bedroom, 1 Living Room & Dining Area, 1 Kitchen, 1 Bath

   Unit F on 2nd floor through 6th floor with an approximate area of 745 sq.ft:
   1 Bedroom, 1 Living Room, 1 Kitchen, 1 Bath

   Unit G on 2nd floor through 6th floor with an approximate area of 806 sq.ft:
   1 Bedroom, 1 Living Room, 1 Bonus Room, 1 Kitchen, 1 Bath

Unit H on 2nd floor through 6th floor with an approximate area of 847 sq.ft:
1 Bedroom, 1 Living Room, 1 Bonus Room, 1 Kitchen, 1 Bath

Commercial Units' Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Commercial Units and are herein sometimes collectively referred to as the "Commercial Units Limited Common Elements":

(a) The entrances to and exits from the Commercial Units.

(b) The equipment and facilities that service solely the Commercial Units and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Commercial Units.

(c) All signage and exterior decoration and painting, canopies shall be subject to Board approval.

The Commercial Units Limited Common Elements servicing the individual Commercial Units shall be maintained, repaired and replaced by the individual Commercial Unit Owners at the Commercial Unit Owners' sole expense.

General Residential Units' Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

(a) The residential entrance and lobby.

(b) The residential stairway.

(c) The residential elevator.

(d) The residential hallways.

(e) Any heating, cooling or other mechanical system servicing exclusively the Residential Units that are located in the Common Elements.

(f) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively all the Residential Units.

Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements":

(a) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

(b) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit.

Unit Owners should note that the approximate physical dimensions of each Unit shall consist of the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors, and enclosed vertically by the underside of the Unit's finished flooring and the unexposed side of the Unit's drywall ceiling where applicable. Therefore, the Units are not based upon measurements from interior surfaces of interior walls, and the actual area comprising the Unit is significantly less than the area listed in Schedule A in Part I of the Plan and Floor Plan in Part II of the Plan.

The square footage and dimension of the Units listed in Schedule A or in the Declaration are approximate within reasonable tolerances and may vary and were obtained by using the method customarily used in New York City to measure Condominium apartments.

The square footage attributable to the Common Elements, however, is not included in the square footage amount reflected in Schedule A.

2. The Common Interest of each Unit 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. The original share allocation of each Unit as a cooperative appears to incorporate all these factors and was used as a basis for determining the percentages for each respective Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York. This percentage determines the amount each of said Unit Owners will pay for their Common Charges.

3. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements and maintenance and operation of the General Common Elements. Common Charges exclude repair

and decoration to the inside of a Unit, utilities for each Unit and insurance for personal belongings.

4. Real estate tax estimates are based upon current tax information from the Cooperative Apartment Corporation tax bills. The current tax bill has been divided and allocated among the Units, based upon their Percentage of Common Interest. Pursuant to an Opinion Letter from Highpoint Incentive Inc., 769 Empire Avenue Far Rockaway, NY 11691, dated July 26, 2021, the Department of Finance has determined the 2020-2021 Market Value of the Property as $4,692,000, the Assessed Value as $2,111,400 and the Taxable Value as $1,809,093 (see Exhibit "I" attached). Based on these valuations, which are the same for the Property whether it is taxed as a cooperative or a condominium, and the 2020-2021 tax rate of 12.473% applicable to all Class 2 properties (rental properties, cooperative and condominiums), we have prepared the attached Exhibit C which lists each residential, parking and commercial condominium unit and the projected annual and monthly property taxes for 2020-2021 tax year. See the Opinion Letter from Highpoint Incentive Inc., attached herein as Exhibit "I", and also in Part II of the Offering Plan explaining the method and basis of projecting property taxes for each Unit). Moritt Hock & Hamroff LLP, as set forth in Section XXV Identity of Parties in Part I of the Offering Plan, makes no representations as to the implications set forth herein and relies on the tax representations of Sponsor's tax professionals as set forth in the Opinion Letter from the Highpoint Incentive Inc., included in Schedule I Certifications of Part II of the Offering Plan. (See Section XXV in Part I and Section I in Part II of the Offering Plan for detail.)

   Although the aforesaid estimate of actual assessed valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In no event will the consultant, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that predicted above or if the administrative code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented, prove to be untrue.

   After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. In addition, pursuant to the provisions of the Internal Revenue Code of 1986, the real estate taxes payable by a Residential Unit Owner, which are assessed against their Residential Unit by any governmental taxing authority, up to a maximum amount of $10,000 per year, are a proper deduction in connection with Federal, State and City Income Taxes payable by such Residential Unit Owner. Unit Owners and Purchasers should note

that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

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

See Section XV for a full discussion of the real estate taxes applicable to the Units.

5. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Unit Owner obtains a mortgage, a Unit Owner's monthly carrying charges will increase. Any Unit Owner who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Unit Owner will be obligated to pay the lending institution.

   In the event a Unit Owner of a Residential Unit obtains a mortgage, the interest payable on the mortgage, up to a maximum loan amount of $750,000, will be deductible for income tax purposes provided the Residential Unit will be the Unit Owner's principal residence or one (1) other residence selected pursuant to the Internal Revenue Code.

6. There is currently no tax abatement/benefits on the Property except for the Star Tax Abatement applied for by individual Shareholders. Sponsor shall not apply for any tax abatement/benefits on the Property; however, qualified Unit Owners may apply for the Star Tax Abatement.

   The projected real estate taxes of the Cooperative is allocated to each Unit in proportion to their respective shares and included in the monthly projected maintenance, payable by Shareholders monthly. The projected real estate taxes of the Condominium is allocated to each Unit in proportion to their respective Common Interest, payable by each Unit Owner to the New York City Department of Finance quarterly, which are paid separately by Unit Owners, not included in the monthly projected Common Charges.

7. Sponsor/Co-Sponsor acknowledges that the Conversion shall not permit any Owner of the Units containing residential rental apartments to remove any such residential rental apartments from regulation (if applicable) pursuant to the

exemption for Units owned as a cooperative or Condominium under the Rent Stabilization Code (9 N.Y.C.R.R. §2520.11.), the Emergency Tenant Protection Act of 1974 (9 N.Y.C.R.R. §2500.9.), and/or the Rent Stabilization Law of 1969 (N.Y.C. Admin. Code §26-504) (hereinafter collectively referred to as the "Rent Stabilization Laws").

Sponsor/Co-Sponsor further acknowledges that the Conversion does not change the requirement under N.Y. Real Prop. Law § 421-a that all residential rental apartments are subject to Rent Stabilization Laws, during the period and under the circumstances stated in N.Y. Real Prop. Law § 421-a and the rules promulgated thereunder. Nothing contained herein shall preclude the filing and acceptance of an offering plan in compliance with General Business Law § 352-e (and §352-eee or 352-eeee, as applicable) and the governing regulations, nor shall anything contained herein preclude the execution of bona fide interim leases that are not subject to Rent Stabilization, subsequent to the acceptable for filing of an offering plan pursuant to 13 N.Y.C.R.R Part 20 or 21 (if applicable).

8. At closing of title to Unsold Units, each Purchaser shall pay Sponsor's attorney's closing fee of $1,500. There will be an additional $250 attendance fee if Purchaser desires to have the closing at a location other than at the office of Sponsor's attorney. At closing, Purchaser shall pay the New York State and New York City transfer taxes, and "mansion tax", if applicable. There will be no reserve funds and working capital to be charged from the Purchasers for the Unsold Units. For a complete explanation of closing costs associated with the transfer of title to the Unsold Units, see Part I of the Offering Plan entitled "Closing Costs and Adjustments." The closing costs are in addition to the purchase price of Unsold Units.

9. Changes in Prices and Units.

(a) The Units listed in Schedule A-1 are owned by the Co-Sponsors and Holders of Unsold Units. The offering prices to be paid in cash at closing as set forth in Schedule A-1 must be amended by a duly filed amendment to the Plan when the price change is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual purchaser. The prices and specified terms of sale are negotiable, and the Co-Sponsors may enter into an agreement with an individual purchaser to sell one or more Units at prices lower than those set forth in schedule A without filing an amendment.

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

(c) Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of common interest if a Purchase Agreement has been executed and delivered to the sponsor for that Unit and the Purchaser is not in default.

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

10. Co-Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, a Purchaser's monthly carrying charges will increase. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the lending institution. In the event a Purchaser of a Residential Unit obtains a mortgage, the interest payable on the mortgage will be deductible for income tax purposes provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to the Internal Revenue Code.

11. In connection with the sale of Unsold Units, Purchaser shall be required to pay the New York State Transfer Tax of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. Both taxes are considered additional consideration on which the respective tax is based. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

The Mansion Tax is required to be paid by the Purchaser, however the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser. The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City.

The tax applies to:

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

Please refer to Section XIV of Part I of the Offering Plan for detail.

V. SCHEDULE B

THE BEVERLY CONDOMINIUM
ANNUAL BUDGET AS A CONDOMINIUM VS CURRENT CO-OP BUDGET
FOR FIRST YEAR BEGINNING MAY 1, 2022 TO APRIL 30, 2023

	Condo Budget	Budget as a Co-op for 2020	Notes & Explanation
Revenues			
Common Charges / Maint Fees Paid by Owners of Units	264,311	472,282	Common Charges will be collected from each unit owner based on cash requirements due to common expenses offset by other income listed below.
Total Revenue	**264,311**	**472,282**	
Operating Expenses			
Salaries, taxes & benefits	19,308	19,308	Assumed same staff as currently employed which includes a live-in Superintendent.
Rent for Super's Unit	9,528	9,528	The new unit owners of the Superintendent's unit, 4A, will receive a breakeven rent that will be no more than Annual Carrying Charges.
Real estate taxes	-	220,636	R E Taxes are paid directly by Condo Owners
Heating Fuel	32,051	32,051	Heating oil for the entire building which is expected to stay the same as prior year. Hot Water heating.
Utilities	17,180	17,180	Electricity for the common areas only plus cooking gas for all units. Unit owners will pay their own electric use.
Water & Sewer	35,665	35,665	Water and sewer charges for the entire building which is expected to remain the same as prior year.
Insurance	46,400	37,014	Insurance coverage including liability and property as provided under the Condominium Declaration and Bylaws. Also includes Directors & Officers liability coverage.
Management fees	24,500	24,500	Auric Management is under contract to manage the building.

Repairs, Maintenance & Supplies	25,000	50,100		Figure for Condo Budget was reduced because Co-op Budget included capital expenses which is funded through the Replacement Reserve Fund under Condominium Budget.
Professional fees	13,000	14,800		The amount budgeted as a Condominium is slightly lower than the Co-op since accounting and legal costs are expected to be lower based on proposals received.
Franchise taxes	-	2,650		No franchise tax is budgeted for the Condominium since it is an unincorporated association.
Admin Expenses	7,500	7,500		General administrative expenses that are expected to remain the same as prior years.
Misc.	1,350	1,350		This budget line item will be used as a contingency for non-budgeted items and to cover any overage in other expense categories.
Replacement Reserve Contribution	32,829			A Reserve Study completed Strategic Reserves projected the amount of $32,829 for 2020 as the required funding amounts by the Condominium for future replacement of common elements.
Total Expenses or Cash Outlays	**264,311**	**472,282**		
Net Surplus or (Deficit)	**0**	**0**		

IN THE OPINION OF AURIC REAL ESTATE MANAGEMENT LLC, HAVING AN OFFICE AT 97-07 63RD ROAD MGMT OFFICE, REGO PARK NY 11374, THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

Note to Schedule B

1. Common Charges ($264,311)

   These projected Common Charges are based upon cash requirements due to common expenses offset by other income listed herein. As the Cooperative will sell the Commercial Units under the Conversion Plan, the Common Charges budget does not include any income from the rental of Commercial Units. It cannot be construed as an assurance of the final income and expenses and is merely based upon monthly Common Charges set forth in Schedule A which will be paid by each Unit Owner. The actual first year of operation may be earlier or later.

2. Commercial Income ($0)

   Although the Cooperative received Commercial Rent Income in the past, this income will not be available to the Condominium as any income derived from the Commercial Units will inure solely to the benefit of the Co-Sponsor, as Purchaser of the Commercial Units pursuant to the terms of the Conversion. However, the Condominium will receive Common Charges from the Commercial Units based upon the Common Interest percentage and Condominium budget.

3. Salaries, Taxes and Benefits ($19,308)

   The budgeted amount includes base wages, worker's compensation and disability insurance, health benefits, payroll taxes and the cost of sick days, holidays and vacation pay for a projected building staff of one (1) part-time non-union Superintendent working from Monday to Friday at a monthly salary of $1,422.67, residing in the building. The employee currently works for the cooperative and his duties are janitorial in nature. This is a part-time position of about three (3) hours per day or no more than twenty (20) hours per week. The general duties include cleaning and maintenance, including the making of minor repairs; the furnishing of heat and hot water, where supplied from a central source; the removal of garbage, refuse, ashes and wastes from the premises; and the removal of snow, ice, dirt and other matter from the sidewalk and gutter. The employee has no responsibilities that are related to interior apartment matters except those that affect common areas, in which case the employee alerts management who will send the appropriate vendor to address the issue(s). This has been the arrangement regarding the live-in employee for the past ten (10) years that Auric Management has provided property management services to the Property and this has worked more than adequately to meet the requirements of the Property and conform to applicable laws. It is also the arrangement that is budgeted for the Property once it converts from a cooperative to a condominium.

The live-in employee receives a salary of $300.00 per week for his part-time work which is equivalent to $15.00 per hour. This hourly wage is above the minimum established under 12 CRR-NY 141-1.2 for janitors in residential buildings of $10.00 per hour. Moreover, in accordance with 12 CRR-NY 141-1.4, any hours worked beyond 20 hours per week, is compensated at $15.00 up to a total of 40 hours worked per week and at $22.50/hr (1.5x for overtime) for any hours thereafter. The hourly pay is above the value of the free apartment given to the employee on the Property which need not be counted towards the minimum wage in accordance with 12 CRR-NY 141-1. Since the janitorial employee is part time, the minimum weekly wage for janitors under 12 CRR-NY 141-2.8 is not applicable and instead the definition of "regular hourly rate" as defined in 12 CRR-NY 141-3.3 applies as to the employee's total earnings divided by the number of hours. Please see Letter from Auric, dated May 28, 2021, directly following the Schedule B.

The Administrative Code of the City of New York, § 27-2052, et seq., requires one of the following when a building has 9 or more (rental) units: (1) that the owner performs the janitorial services; or (2) that there be a full-time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members.

4. Rent for Superintendent’s Unit ($9,528)

The projected amount is based upon the rent to be paid by the Condominium to Unit Owner of Unit 4A or similar Unit in the neighborhood of the Condominium.

Shareholder should note that this will be a new expense as the Cooperative did not pay rent on the Superintendent’s Unit prior to the Conversion. The Condominium plans to retain a full-time live-in superintendent who will reside in Residential Unit 4A. The Condominium has made arrangements with the purchaser of Residential Unit 4A to lease such Unit for the next five (5) years as part of the package sale of the Commercial Units and Unit 4A to fund the Conversion. The purchaser has agreed to lease back Residential Unit 4A to the Condominium as the superintendents’ Unit at a substantially reduced rent with the maximum monthly rental rate equal to no more than the sum of the monthly Condominium fees and estimated property taxes for the Units. The amount is projected to be $9,500.00 per year and is included in the Condominium’s first year annual budget as an operating expense.

In the event the Condominium fails to lease back Residential Unit 4A or other Unit in the Condominium, the Condominium will purchase or rent a Unit within 200 feet of the Condominium for the full-time Superintendent.

5. Heating ($32,051)

Heating is generated by oil for the Condominium, which is expected to stay the same as that for the Cooperative.

The heat utilized by all of the Units in the Condominium will be commonly metered and billed as a Common Expense.

6. Utilities ($17,180)

The budgeted amount is for the cost of electricity and gas which are included and covered by the Common Charges such as 1) cost of electricity for the Common Elements, and 2) hot water and cooking gas for all Units and the Common Elements. The rate indicated below includes tax and latest utility company surcharges for fuel adjustments. The amount budgeted is based on historic consumption as a Cooperative.

	Consumption	Cost
1) Electricity for Common Elements; 2) Hot Water and Gas used for Common Elements and Gas used for cooking for all Units.	Variable every month. Historic data from 20+ years used to project annual budgeted amount.	$17,180.00

The budgeted amount does not include the cost of electricity for each Unit, which shall be individually metered and billed directly to each Unit Owner.

In view of the current energy situation, it is not possible to predict whether the budgeted amount will reflect the actual cost to be incurred during the first year of Condominium operation, which will vary with the level of consumption and the cost of the utility. It is believed that the budgeted amount should be sufficient to cover the reasonable increase in the cost of electricity resulting from the foregoing during the first year of Condominium operation.

7. Water & Sewer ($35,665)

The estimated budget is for the cost of water and sewer which is included and covered by the Common Charges. The water and sewer charges will be commonly metered and billed as a Common Expense. These Common Charges have been expended by the Cooperative and paid for by the shareholders' proprietary lessees

for the past 20 years. The amount budgeted is based on the past consumption in the Building as a Cooperative.

Unit Owners should note that the Board may install a sub or separate water meter for the Commercial Units in the Condominium in the future if the Commercial Units are deemed to utilize significantly more water/sewer services, thereby causing the Residential Unit Owners to subsidize this expense in favor of the Commercial Units.

It is not possible to predict how closely the budgeted amount will reflect the actual cost of water and sewer during the first year of Condominium operation, which will vary with the level of consumption and the cost of the utility. No budget item is warranted.

8. Insurance ($46,400)

The budgeted amount for insurance reflects the estimated annual cost of the specified insurance coverage for the Property based on a letter from Assured Partners Northeast, 100 Baylis Rd., Suite 300, Melville NY 11747, dated June 10, 2020.

PROPERTY:
Building $7,246,720
Business Income $ 358,000
w/Extra Expense 80% Coinsurance
Earthquake $1,000,000
Flood $1,000,000
Building Ordinance $1,000,000
Special Form, Replacement Cost Valuation, Building on Agreed Amount
AOP Deductible $5,000

COMMERCIAL GENERAL LIABILITY:
Limit: $1,000,000 Per Occurrence
$2,000,000 General
Aggregate

BOILER & MACHINERY:
Limit per Breakdown $7,466,030 Deductible $1,000

UMBRELLA LIABILTY:
Limit: $5,000,000

DIRECTORS & OFFICERS POLICY
Limit: $1,000,000

FIDELITY COVERAGE
Limit $500,000

ANNUAL
PREMIUMS: Package
policy $37,500

Boiler & Machinery
$1,500

Umbrella $3,500
Directors & Officers & Crime $3,900
Total Premium $46,400

The above figure reflects the estimated annual cost of the specified insurance coverage for the Property. The above property coverage limit is based upon replacement cost valuation and agreed amount endorsement which effectively negates any co-insurance on the building coverage. It is the opinion of Assured Partners that the all-risk coverage for the Building set forth above will adequately cover 100% of the replacement cost of the insurable portion of the Property. However, because of the difficulty of estimating replacement costs and for other reasons, there can be no guarantee that the suggested coverage will provide sufficient proceeds to replace the Building or any portion in the event of a total or partial loss. The Condominium Board should periodically review the amount of insurance carried for the Building to insure that the amount of insurance coverage carried is sufficient.

The above fire, casualty and general liability insurance must be on terms that provide: (1) that each Unit Owner is an additional insured party; (2) that there will be no cancellation without notice to the Condominium Board; (3) a waiver of subrogation; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5) a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include the coverage found in a standard “homeowners” policy for any belongings, improvements or furniture or other personal property in a Unit. Unit Owners are advised to carry their own property and liability insurance covering occurrences in their own Unit.

Fire and liability insurance will be maintained by the Condominium Board. There will be no cancellation without notice to the Condominium Board and Unit Owners. The Unit Owners will share the insurance premium cost based on their respective Common Interests.

Notwithstanding anything in this Offering Plan to the contrary, pursuant to both the By-laws and the Condominium Act, the Condominium Board shall have the right to allocate the cost of the Condominium's property insurance premium other than pursuant to Common Interest should the cost of the Condominium's insurance premium be based in part specifically on the use to which a particular Unit is put, so that the Unit Owner whose use causes the premium to be higher pays the increased cost.

In recent years, premiums for insurance (especially fire and liability insurance) have increased substantially. It is not possible to predict whether future premiums will continue to increase or will level off. No representation is made regarding the actual cost of insurance at the time of closing.

9. Management Fees ($24,500)

The Management Fee budget is based on the proposed Management Agreement with Auric Real Estate Management LLC to manage and maintain the Condominium.

The Condominium will enter into a Management Agreement with Auric Real Estate Management LLC, 97-07 63rd Road, Rego Park, New York 11374, as Managing Agent for a period of three (3) years. Auric Real Estate Management LLC has no affiliation with Sponsor. The Management Fee to be collected by Sponsor is the prevailing rate of such service which is approximately $24,500 per year. If the Condominium Board fails to notify the Managing Agent in writing, at least thirty (30) days prior to the expiration date, of its desire to terminate this Agreement, this Agreement shall be extended on a month to month basis on the terms and conditions stated herein with the exception of the amount of compensation paid by the Condominium Board to Managing Agent which will be increased by 4% per annum unless otherwise negotiated between the parties. See the Section in Part I of the Offering Plan entitled "Management Agreement, Contracts and Leases".

10. Repairs, Maintenance & Supplies ($25,000)

The budgeted amount is for the repair and maintenance of all the General Common Elements such as roof, exterior (including walls, foundations, windows, doors and locks), sewer system, plumbing, electrical work, painting and flooring of the Common Area, and other maintenance services, sprinkler maintenance services, extermination services. This budgeted amount also includes cost of cleaning supplies, hardware, lighting bulbs, rubbish bags and cans. The snow removal and daily cleaning of the Common Elements and sidewalk will be done by the full-time superintendent.

As a Cooperative, the annual expenses for repairs, maintenance and supplies were approximately $30,000 per year. As the expenses for above items will be expected to be the same or similar for both the Cooperative and the Condominium, it is estimated that $25,000 is sufficient to provide for general repairs to the Common Elements for the first year of operation of the Condominium.

The budgeted amount does not include improvements and repairs to, maintenance of, or supplies for individual Units and Limited Common Elements. Each Unit Owner is responsible for improvements and repairs to, maintenance of, and supplies for his Unit and those Limited Common Elements irrevocably restricted to his/her use.

The Cooperative will assign and transfer and the Condominium will assume and take over, all existing service contracts or agreements currently on the Property, including, but not limited to the contracts for elevator and extermination.

11. Professional Fees ($13,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated retainer cost for these legal services for the Condominium's first year is $5,000. The Condominium Board will determine which law firm to engage in the future.

The Condominium will engage an architect and engineering firm for such required services for the Condominium. The estimated retainer cost for these services for the Condominium's first year is $2,000. The Condominium Board will determine which architect/engineer firm to engage in the future.

It is anticipated that the Condominium will enter into an agreement with an accounting firm to provide audit, tax returns preparation, and financial statement preparation for the Condominium. The estimated retainer cost for these services for the Condominium's first year is $6,000.

The projected amount for the professional fees for the Condominium is less than the amount budgeted for the Cooperative because the legal and accounting fees are less expensive for the Condominium due to the reduced work for the Condominium, e.g., there will be no mortgage, real estate taxes and other related expenses for the Condominium.

12. Franchise Taxes ($0)

Unlike the Cooperative, no franchise tax is budgeted for the Condominium since it is an unincorporated corporation.

13. Administrative Expenses ($7,500)

The budgeted amount for administrative expenses will cover general office expenses, meeting expenses, mailing costs and other general administrative costs. It is based on prior years' expenses under the Cooperative form of ownership and operations which is not expected to change under the Condominium ownership.

14. Miscellaneous and Contingency ($1,350)

The budget line item for miscellaneous and contingency is intended to be used as a contingency for non-budgeted items and to cover any overage in other expense categories.

15. Replacement Reserve Contribution ($32,829)

A Reserve Study was completed by Strategic Inspections, LLC in January 2018 which projected the amount of $32,829 for 2019/2020 as the required funding amounts by the Condominium for future replacement of Common Elements. The full report is included in Part II of the Offering Plan. Unit Owners and Purchasers are encouraged to review the full report.

The yearly reserve fund will be sufficient to pay for major capital repairs or replacement items likely to be needed within the first year of Condominium operation. However, there is no guarantee that this amount will cover the cost of repairing or replacing any or all capital items. The Unit Owners will share these costs based on their respective Common Interests.

16. There are no financial obligations that will become due within the next year (other than mortgage on the Property to be paid off and expenses set forth herein). There are no capital expenditures that commenced within the past year. The Conversion has no impact on the financial obligations and capital expenditures as above mentioned.

17. Audited Financial Statements

The 2019 and 2018 audited Financial Statements for the Cooperative are as attached in Part II of the Plan.

18. The Sponsor has been advised by Cesarano & Khan, PC, Certified Public Accountants, 199 Jericho Turnpike, Suite 400, Floral Park, New York 11001, that there should be no income tax gain recognized by the Corporation as long as the distribution from the Corporation of the Residential Units to the Shareholders is in exchange for the current shares of stock in the Cooperation currently held by the

Shareholder, and such Residential Unit is used as the Shareholder's principle residence.

Typically, Cooperative Cooperations have not been subject to tax liability after conversion; however, not all shareholders will use their respective residential Unit as their principal place of residence and the Corporation may be subject to tax liability.

Using the assumptions made by Cesarano, in Exhibit "D", the Corporate Tax calculated under such methods can range from zero (no tax) to as much as $537,830 (in the unlikely event that the fair market value excluded the encumbrance of the proprietary lease). If the Corporate Tax were determined to be more than zero, the shareholders would pay their pro-rata share per the terms each agreed to under the Distribution Agreement Paragraph 1(D).

Sponsor has been further advised by Cesarano & Khan, PC, that a Shareholder who exchanges currently held shares of stock in the Cooperation for the distribution of a Residential Unit may be subjected to income tax liability. The determination of the amount of such income tax liability is based on the value of the Residential Unit at the time of transfer versus the tax basis of the Cooperation shares of stock of the Corporation at that same time.

Sponsor has been further advised by Cesarano & Khan, PC, that since the tax basis, valuation of the asset distributed and the tax status for each Unit and each Shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile.

Pursuant to Section 1005 of the BCL, after dissolution plan is approved, the Cooperative will wind up its affairs, pay **all** liabilities and distribute its assets to its shareholders. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities.

Please see letter by Cesarano & Khan, PC, herein as Exhibit "D" for further discussion of tax liability.

SCHEDULE B – 1

The following are the projections based on information provided by Galli Engineering, P.C., 35 Pinelawn Road, Suite 209E, Melville, NY 11347.

Unit	Estimated Electricity (KWH/YR)	Electricity Cost	Estimated Electric Cost/Month	Estimated Electric Cost/year
2A, 3A, 4A, 5A, 6A	4,504	.21/KWH	$78.82	$945.90
2B, 3B, 4B, 5B, 6B	3,291	.21/KWH	$57.79	$691.05
2C, 3C, 4C, 5C, 6C	5,879	.21/KWH	$102.89	$1,234.66
2D, 3D, 4D, 5D, 6D	4,801	.21/KWH	$84.02	$1,008.24
2E, 3E, 4E, 5E, 6E	4,718	.21/KWH	$82.57	$990.82
2F, 3F, 4F, 5F, 6F	4,347	.21/KWH	$76.07	$912.90
2G, 3G, 4G, 5G, 6G	4,613	.21/KWH	$80.73	$968.82
2H, 3H, 4H, 5H, 6H	4,792	.21/KWH	$83.87	$1,006.40

The above electrical cost estimates have been calculated including an inflation factor of ten (10%) percent. During summer months, the electric costs may go higher.

The above consumption estimates are based on the past consumption in the Building as a Cooperative.

The above costs are estimated only, and are based on conditions outlined herein and the electric rates currently in effect which include the latest utility company surcharges for fuel adjustments plus applicable taxes. It also takes into account the variation of Unit size and lifestyle. The above costs may also vary depending upon the maintenance of the equipment in good and efficient condition. In addition, the effect of inflation and other factors may raise the cost of electricity substantially higher than the current or projected rate.

See letter included herein as Exhibit “J”.

VI. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

February 2, 2022

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

Re: The Beverly Condominium ("Property")

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the above captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the Offering Plan.

Our experience includes management of the Property for the past seven (7) years as a cooperative building and therefore we have a significant understanding of the operating costs for the Property. We have experience in managing this and comparable properties in Queens, New York and the surrounding areas.

In reviewing Schedule A, the percentage of Common Interest for each Unit as contained therein has been 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. The original share allocation of each Unit as a cooperative appears to incorporate all these factors and was used as a basis for determining the percentages for each respective Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the Offering Plan for The Beverly Condominium to be filed with the Department of Law.

Sincerely,

Auric Real Estate Management LLC

Dominic V. Martorana
President

VII. COMMERCIAL UNITS

The Condominium contains four (4) Commercial Units. The four (4) Commercial Units are used for commercial purpose and any other lawful purposes permitted under the local zoning code, including but not limited to day care, office, medical or health related purposes.

The basis for calculating the Common Interests of the Commercial Units are 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 compliance with Section 339-i (1) (iv) of the Real Property Law of the State of New York. The Common Charges payable by each Commercial Unit Owner are based upon the Common Interest allocated to such Unit and sufficient to cover the expenses fairly attributable to such Unit. In the event the Common Charges are insufficient, the Condominium may increase the Common Charges or impose a special assessment upon all affected Units, including Commercial Units. The allocation of Common Charges attributable to the Commercial Unit(s) shall also reflect special or exclusive use or availability or exclusive control of particular Common Elements. The Commercial Units are restricted to the use mentioned above and the Commercial Unit Owners shall have no right to subdivide the Commercial Unit without the prior written consent of the Board of Managers of the Condominium.

The current uses of all Commercial Units are: Commercial Unit A is a Tax Preparer's Office; Commercial Unit B and Unit C are used as Day Care for Children and Commercial Unit D is vacant.

The Commercial Unit Owner has the same rights and obligations with those of the Residential Unit Owners unless otherwise specified in the Plan. For any different rights and obligations, they will not have a material adverse impact on the Condominium.

The Common Charges for the Commercial Units are allocated in proportion to their respective Common Interests in the Condominium.

VIII. PROCEDURE FOR CONVERSION

Pursuant to the organizational documents of the Corporation, a special Shareholder meeting of the Corporation was held on November 6, 2017 where a super majority, or 87% of the issued and outstanding shares voted in the affirmative to approve the authorization to take an action to convert the Cooperative to the Condominium and to amend the existing Certificate of Incorporation and the By-Laws. Upon acceptance for filing of the Offering Plan by the Department of Law, each Shareholder shall be given the Distribution Agreement for review within five (5) business days. After the execution of the Distribution Agreement by at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative, the Offering Plan will be amended to declare effectiveness provided that the Cooperative Debt is satisfied and the funds for payment

of Conversion Obligation is sufficient from the sale proceeds of the Commercial Units and Residential Unit 4A by the Corporation as disclosed in Amendment No. 16. The vote taken will be superseded by the results of the execution of the Distribution Agreement. If the requisite sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative do not execute the Distribution Agreement within the stipulated period, the Offering Plan may not be declared effective and may thus be abandoned by Sponsor.

Shareholders should note that the following representations are included in the Distribution Agreement: 1) The Shareholder reviewed the Offering Plan at least thirty (30) days prior to the execution of the Distribution Agreement; 2) The Shareholder has executed the Distribution Agreement pursuant to an offering made without fraud or any discriminatory inducements; and 3) a clear indication as to whether Shareholder is consenting, dissenting or abstaining to the Conversion of his/her respective shares in the Cooperative.

Sponsor will submit a list of all dissenting Shareholders prior to the filing of an effectiveness amendment.

The Corporation is not and shall not be held responsible for Holder's debt.

The Conversion Offering Plan shall not be declared effective until 1) all of the Shareholders of the Cooperative shall be provided a Distribution Agreement where the Shareholders can either consent, dissent or abstain (by not responding) to the conversion of their respective shares to an ownership interest in the Condominium in the form of title in fee to his/her individual Unit and an undivided interest in the Common Elements of the Condominium ("Distribution Agreement"); 2) at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative have consented to the Conversion in their respective Distribution Agreement; 3) satisfaction of the Cooperative Debt and availability of sufficient funds for the full payment of the Conversion Obligation generated from the sale proceeds of the successful closing of four (4) Commercial Units and Residential Unit 4A pursuant to Amendment No.16 to the Cooperative Offering Plan ("Amendment No.16"); and 4) subsequent thereto, an effectiveness amendment shall have been accepted for filing by the Department of Law. See Distribution Agreement in Part II of the Plan.

Upon the effectiveness of the Offering Plan and filing of the Declaration and Condominium maps, the deeds to individual Units will be distributed to all Unit Owners who participate in the Group Closings by executing appropriate closing documents and paying corresponding closing costs. Those Shareholders who fail to participate in the Group Closings or participate in Group Closings but fail to execute closing documents and pay corresponding closing costs whether they consent to, dissent or abstain from the Conversion, will be treated as Hold-out Units. The Unit deeds for such Owners of Hold-Out Units will be held by the Condominium Board in escrow until they pay off their Conversion Obligation. In accordance with Section 1005 (a)(3)(B), regardless of the sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities.

Shareholders are advised that the Condominium declaration cannot be filed and this building will not be converted into a Condominium, unless both a Condominium Offering Plan for the building and a subsequent effectiveness amendment have been filed with the Department of Law. This building shall remain a cooperative until such point. Upon recording of the Condominium Declaration and maps and closing of the first Unit, Sponsor may declare the Cooperative Offering Plan abandoned by filing an amendment disclosing such abandonment and filing a RS-3 Form with the Department of Law.

The process leading up to the abandonment of the Cooperative Offering Plan will be as follows:

Steps	Action
1	Amendment No. 16 of the Cooperative (accepted for filing 12/17/20)
2	Acceptance for filing of the Offering Plan
3	Closing of sale of the shares to the four (4) Commercial Units and Residential Unit 4A as disclosed in Amendment No. 16 of the Cooperative
4	Distribution Agreement signed
5	Offering Plan declared effective
6	Filing of Declaration and Condominium maps
7	Closing of the First Unit
8	Dissolution of Cooperative (which shall NOT constitute a default under the current mortgage)
9	Abandonment of the Cooperative Offering Plan by filing amendment and RS-3 Form with Department of Law

The Certificate of Incorporation and the By-Laws of the Corporation have been amended pursuant to the resolution dated November 6, 2017 as follows: In the absence of any specific requirements for shareholder approval to adopt a plan of conversion of the Corporation from the Cooperative to the Condominium in the existing Certificate of Incorporation, the By-Laws and the Proprietary Leases of the Corporation, and in order to establish such specific requirements, Article 9(a) of the Certificate of Incorporation has been amended to include the following:

> "Conversion to Condominium: Notwithstanding any provision to the contrary in this Certificate of Incorporation or any provision in the By-Laws of the Corporation or any Proprietary Lease in which the Corporation is a party to, the decision to convert the cooperative to a Condominium form of ownership shall be effective as to all shareholders only upon the affirmative vote of the holders of two-thirds (66 2/3rd) percent of the shares of the corporation then issued and outstanding."

In order to ensure full compliance and implementation of the requisite shareholders' desire to convert from the Cooperative to the Condominium, the Certificate of Incorporation and By-Laws of the Corporation has been amended as follows:

"Notwithstanding the provisions of these Certificate of Incorporation or the By-Laws of the Corporation, shareholders shall be entitled to a distribution in a plan of conversion to a Condominium form of ownership and/or in a plan of dissolution of the corporation as approved by the shareholders of the corporation in accordance with these Articles, the By-Laws of the corporation and under the laws of the State of New York."

Further, Article III of the By-Laws of the Corporation has been amended to include the following Section 14:

"Section 14: Corporate Dissolution. Notwithstanding any provision in this Article or any other provision in the Certificate of Incorporation, By-Laws and the Proprietary Leases of the Corporation, in the event that the shareholders and directors of the Corporation shall approve the distribution of the Corporation's fee simple interest in the real property to its shareholders as part of a plan to convert such property to Condominium form of ownership ("Conversion Plan") and to ultimately dissolve the Corporation under applicable state laws, the following provisions shall be effective as to the Corporation and all shareholders:

a. All Directors constituting the Board of Directors at the time of the recording of the Declaration shall remain in office and shall have their terms extended to the date that the Corporation is fully dissolved ("Wind-Down Period").

b. The Corporation shall be dissolved by an act of the Board of Directors when no shares of the Corporation are outstanding and all assets of the Corporation have been distributed to shareholders, shareholder's assigns or the new Condominium board established as part of the Conversion Plan ("Condominium").

c. The Board of Directors, during the Wind-Down Period, shall have the duty to carry out the Conversion Plan and, where appropriate, authorize the execution and recording of such documents that shall advance the Conversion Plan in an expeditious manner and shall be prohibited from taking any action that would in any way delay or frustrate the completion of the Conversion Plan.

d. Any vacancies on the Board of Directors during the Wind-Down Period shall be filled for the remainder of the period by a majority of votes cast at a special or regular meeting of the remaining directors.

e. For the purposes of this Section, "a director may be any person who has attained the age of majority who does not have to be a shareholder of the Corporation but must be a member of the Condominium.

f. All Directors constituting the Board of Directors of the Corporation at the time of the recording of the Declaration shall be appointed as Managers of

the resulting Condominium Board of Managers until their respective resignation, removal or the election of successor Directors as provided in the Condominium By-Laws."

The above amendments to the Certificate of Incorporation and the By-Laws of the Corporation has been filed with the Department of Law in Amendment No.16.

IX. CHANGES IN PRICES AND UNITS

The Units owned by Co-Sponsor/Holder will be conveyed in "as is" condition.

1. Changes in Price.

Purchase prices for the Unsold Units offered are negotiable and Co-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 with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. No increase in price, decrease in price affecting one or more lines of Units, nor increase in price for an individual purchaser, will be made other than pursuant to a duly filed amendment to the Offering Plan filed in advance of any such change, except that Co-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 doesn't constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Offering Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Co-Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement: purchase price; the amount of the Deposit; financing contingency; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, purchase price rebates and subsidies payable as a credit against the purchase price or on a periodic basis and extensions of time periods within which to perform obligations under the Purchase Agreement.

Co-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 by a duly filed amendment to the Plan. No purchaser will benefit from any terms and conditions

negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any right of rescission under a Purchase Agreement.

2. Changes in Size and Layout of Units

The location in the Building, size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. Sponsor/Co-Sponsor will not make any changes in the size, layout or number of Units and/or their respective percentage of Common Interest, and that no material change will be made in the size or quality of Common Elements except by amendment to the Plan and when applicable, to the Declaration of Condominium (if the Declaration was filed prior to such change) without the consent of all Unit Owners directly affected.

Unless all purchasers/Unit Owners consent in writing, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements. 13 NYCRR Section 20.3 (k)(4).

Unless an affected Purchaser consents in writing, Sponsor/Co-Sponsor will not make any material change in Unit size, layout or percentage of Common Interest directly affecting or servicing the Unit if a Purchase Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default.

Co-Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for this Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the Floor Plans.

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 or otherwise, nor may the Common Interest be changed, unless, in each such event, the Declaration and Floor Plans and the Plan are amended with the consent of each Unit Owner whose Unit is directly affected by such change. In the case of a material and adverse change in the size or quality of the Common Elements, no such change shall be made without the consent of every Unit Owner. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such material and adverse change and to file such amendment and any necessary plans and specifications in connection therewith.

X. HOLD-OUT UNITS AND SHAREHOLDERS

"Hold-Out Units," are defined as the Units that are allocated to those shareholders who: 1) do not participate in the Group Closing even if they indicated their consent, dissent or abstention to the Conversion in the Distribution Agreement; or 2) participate in the Group Closing but do not fund their own closing costs.

"Hold-out Fee", is defined as the closing costs for a Hold-Out Unit, plus additional conversion fees and legal fees related to processing the respective Hold-Out Unit.

Since the By-laws and Certificate of Incorporation, as amended, are silent as to the conversion or treatment of Hold-out Units, the treatment of Hold-out Units shall be in compliance with New York Business Corporation Law. Pursuant to Section 1005 of the BCL, after *dissolution* plan is approved, the Cooperative will wind up its affairs, pay all liabilities and distribute its assets to its shareholders. In accordance with Section 1005 (a)(3)(B), regardless of sale of assets, the Corporation may distribute all remaining assets to its shareholders only after paying or adequately providing for payment of its liabilities.

In that Shareholders' liability is only limited to the payment of Hold-out Fee, the owners of the Hold-Out Units will only be responsible for their Hold-out Fee. Hold-Out Units will be converted to Condominium Units as part of the conversion by having the Cooperative deliver Unit deeds for such Units to the Condominium Board as custodian for the benefit of the respective shareholder(s) of said Unit(s). The Hold-Out Fee for the Hold-Out Units will be funded through the sale proceeds of Commercial Units and Residential Unit 4A as defined herein at the time of the Group Closings. The owners of the Hold-Out Units will be treated as a Condominium owner that participated in Group Closings but will be invoiced by the Condominium Board for their Hold-out Fee as a special assessment. As with any owner in the Condominium, if Hold-out Fee of a Hold-Out Unit is not paid, the Condominium Board may place a lien on the Unit and initiate foreclosure based on its governing documents and New York law.

Co-Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the conveyance of the first Unit Deed, or (ii) thirty (30) days after the conveyance of seventy-five (75%) percent of all Residential Units, including at least 12 Unsold Units, in the Condominium, whichever is sooner. Thereafter, Co-Sponsor shall retain the right to designate two (2) Members of the Board of Managers until such time as the Holder of Unsold Units no longer owns a Unit.

The respective shareholders will not receive the deed to their Hold-Out Units until they perform the following:

1. Inform the Condominium Board and its designated agent of their desire to complete the distribution of their Unit to their name or their assigns with at least 30 days' notice.

2. Provide payment in advance of all amounts due, including their Hold-Out Fee and all amounts due to the Condominium Board at that time. Total costs for a shareholder of a Hold-Out Unit may be substantially greater than if those shareholders participated on a voluntary basis at the Group Closing.

3. Execute and return all required documents, including Deed, Unit Power of Attorney within the time period established by the Condominium Board, its attorneys, agents or other professionals as reasonably required to complete the process.

The shareholder of a Hold-Out Unit cannot transfer any interest it holds in the Property until they complete the distribution process and remove the Unit from a Hold-Out status. All subsequent transfers must occur as a Condominium interest and not a cooperative shareholder/leasehold interest.

XI. PROCEDURE TO PURCHASE, UNDERLYING MORTGAGE AND CONVERSION FEES FUNDED THROUGH SALE OF COMMERCIAL UNITS AND UNIT 4A

Initially Co-Sponsor is offering only a portion of the total anticipated units in the Condominium as Co-Sponsor intends to withhold the four (4) Commercial Spaces and Apartment 4A.

Co-Sponsor will not rent the withheld Units before consummation of the Offering Plan and Co-Sponsor will amend the Offering Plan when it begins to offer withheld Units. Co-Sponsor's withholding of Units will not affect the timetable for the projected completion of the Condominium's amenities and services (if any). There is no current timeline for the release of Units onto the market.

As disclosed in Amendment No. 16 to the Cooperative Offering Plan, accepted by the Department of Law December 17, 2020, the Commercial Units and Residential Unit 4A have been allocated with shares in the Cooperative and shall be sold as follows:

Pursuant to the Real Estate Purchase and Sale Agreement ("PSA") made September 23, 2019, by and between 82-04 Lefferts Tenants Corp. ("Seller") and 8336 Realty, LLC ("Purchaser"); Purchaser will purchase from Seller, and Seller will sell to Purchaser, the shares and the appurtenant proprietary leases for the interest in the (4) retails spaces on the ground floor with street exposure and one (1) residential unit known as Unit No. 4A ("Units"); (Comm A, Comm B, Comm C, Comm D and 4A). Subject to adjustments as set forth in the PSA, the total consideration to be paid by Purchaser to Seller for the Property is One Million Six Hundred Thousand Dollars ($1,600,000). The value of four (4) Commercial Units and Residential Unit 4A was determined based on market conditions. Whitestone Real Estate Partners, Inc has provided a letter of adequacy and broker value which has been included in Part II of the Offering Plan. Sponsor was represented by Robert Joseph Cecere, Esq. Mr. Cecere is not affiliated with Sponsor, Co-Sponsors or any member of the Board of the Cooperative, Sponsor and Co-Sponsors. The legal fee to Mr. Cecere for such representation is paid by the Cooperative as part of the Conversion Obligation.

Subject to the Amendment to the PSA, dated May 20, 2021, the closing of the purchase and sale of the Units is scheduled to occur ("Closing") within thirty (30) days of the recording of the declaration for the new condominium related to the Conversion hereof, on not less than ten (10) days' written notice provided by Purchaser to Seller; such written notice specifying the date, time and place of Closing in the New York City, New York. Seller shall bear the risk of loss until Closing.

Each party to the PSA was represented by legal counsel in connection with the negotiation of the transactions and the drafting and negotiation of the PSA. Each party and its counsel had an opportunity to review and suggest revisions to the language of the PSA. May 20, 2021 the parties executed an Amendment to the PSA; said Amendment updated Section 4.1 titled "Closing Date" so as to set a date which "… shall occur within thirty (30) days of the recording of the declaration for the new condominium related to the Conversion …". See a copy of the PSA and Amendment to the PSA as Schedule M in Part II of the Plan. Upon closing of those Units, 8336 Realty, LLC will receive corresponding stock certificates and proprietary leases for all those Units.

Upon effectiveness of the Condominium Offering Plan, a Group Closing will be scheduled. It is anticipated that the closing to the first Residential Unit will occur on or about May 1, 2022. In the event said date is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission. The deeds will be subject to the respective proprietary leases which eventually merge into the fee simple interest held by the Unit Owner under the merger doctrine assuming that the leasehold interest and Unit deed are held by the same beneficial owner(s). Under the merger doctrine in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative's interest in the proprietary lease, the proprietary lease will merge into the Unit deed. The recording of the Unit deed (which will be subject to the proprietary lease) for each respective Unit will be followed by the recording of assignment and assumption of lessor's Interest in lease and occupancy agreement and merger of estates for each Unit as well which will complete the merger. Upon the recordation of the merger of estates and completion of the merger, the proprietary lease will be extinguished and will cease to exist. In the event a Unit Owner were to resell his or her Unit, the purchaser of said Unit would receive a Unit deed without any reference to the proprietary lease. See Part II of the Offering Plan.

Once the closing costs are paid, current shareholders will be entitled to receive the distribution of their Unit deeds, subject to the Proprietary Lease of the Corporation and any mortgage loan they may have on their Units. Sponsor will distribute the deed to the Unit subject to the specific proprietary lease between the Shareholder and the Sponsor for that specific Unit. Said deeds shall also be recorded with the Queens County Clerk. Given that all proprietary leases expire on December 31, 2083, there remains at least another 64 years of break-even rent payments arising from this Unit with virtually all the "bundle of right" of property ownership retained by the current lessee of the Unit, including the right to occupy, sublease, mortgage, pledge or otherwise benefit from and thereby encumbering the Unit deed. Therefore, whomever the Unit deed is distributed to, subject to the current proprietary lease encumbering the Unit, will not receive any rent payments in excess of the cost to maintain the Unit (no net cash flow) nor take rightful possession or occupancy. Accordingly, the encumbered fair market value of the Unit deeds being distributed to the shareholders is de minimis and therefore any capital gain attributed to the Corporation may actually be a net loss rather than a gain. Under the merger doctrine

in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative's interest in the proprietary lease, the proprietary lease will merge into the Unit deed.

The recording of the Unit deed (which will be subject to the proprietary lease) for each respective Unit will be followed by the recording of assignment and assumption of lessor's Interest in lease and occupancy agreement and merger of estates for each Unit as well which will complete the merger. Upon the recordation of the merger of estates and completion of the merger, the proprietary lease will be extinguished and will cease to exist. In the event a Unit Owner were to resell his or her Unit, the purchaser of said Unit would receive a Unit deed without any reference to the proprietary lease. See Part II of the Offering Plan.

Any person may accept Co-Sponsor's offer to sell an Unsold Unit by entering into a Purchase Agreement with the Co-Sponsor. The Agreement provides that the Purchaser will purchase from the Co-Sponsor a designated Unsold Unit in The Beverly Condominium as described in the Declaration creating such Condominium.

Upon signing the Purchase Agreement, the Purchaser shall make a down payment of a minimum of ten (10%) percent of the purchase price of a Unit plus the cost of any special work ordered by the Purchaser. The sponsor shall comply with the escrow and trust fund requirements of GBL sections 352-e(2-b) and 352-h and these regulations, and all funds paid by purchasers shall be handled in accordance with these statutes and regulations. Upon full payment of the balance of the purchase price and the balance of the cost of any special work ordered at the closing, in cash or by mortgage, Purchaser will receive a Unit deed containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title to the fee ownership in the Unit and such percentage of Common Interest in the Common Elements, free and clear of all liens and encumbrances other than those set forth in Section XIII of the Offering Plan. The Purchase Agreement may be modified with the consent of Purchaser and Co-Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan.

The Purchase Agreement may not be assigned by Purchaser without the written consent of Sponsor.

Purchasers should note that if a Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default, **time being of the essence.** See the Purchase Agreement in Part II of the Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan will be resolved in favor of the Offering Plan. The Purchase Agreement and Offering Plan comply with Section 71a(3) of the New York Lien Law. Said statute provides that the initial advance of the Purchase Agreement be deposited in an escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in New York State. The escrow and trust fund provisions disclosed below complies with said statute.

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing.

Purchasers should note that on November 15, 2018 the Financial Crimes Enforcement Network ("FinCEN") announced the issuance of an updated Geographic Targeting Order ("GTO"), which requires U.S. title insurance companies to report to FinCEN the personal identity of purchasers in residential real estate transactions in which: (1) the purchaser is a legal entity as defined in the GTO; (2) the purchaser purchases residential real property (including condominium units) located in the Boroughs of Bronx, Long Island City, Queens, Manhattan and Staten Island; (3) the total purchase price is in an amount of $300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

As long as the updated GTO remains in effect, the reporting requirements set forth above apply to all residential real property closings (including condominium units) meeting the above criteria and occurring on or after November 17, 2018.

Further information regarding the revised GTO is available at the following web address:https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf

See Section XI of the Offering Plan and Exhibit D-5 Mortgage Contingency Rider for a full description of the contingency language contained within the Mortgage Contingency Rider. A complete copy of the Purchase Agreement is contained in Part II of the Plan.

ESCROW AND TRUST FUND PROVISIONS

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e (2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. All funds required to be held pursuant to GBL, Sections 352-e(2-b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within 60 days thereafter.

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

All deposits, down payments, or advances made by Purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the Purchase Agreement is tendered to the Escrow Agent along with the deposit, in a segregated special Escrow Account of Moritt Hock & Hamroff LLP, the Escrow Agent, who address is 1407 Broadway, 39th Floor, New York, NY 10018. The Escrow account will be opened with Popular Bank, 85 Broad Street, New York, New York 10006. The signatories on this account authorized to withdraw funds are: Anthony J. Ficara, Esq. Ted A. Berkowitz, Esq., Gary C. Hisiger, Esq. and Robert M. Finkel, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing. The name of the account is "Moritt Hock & Hamroff LLP/FBO The Beverly Condominium"". The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. Additionally, any other deposits a Purchaser may have at the escrow bank will count towards the $250,000 FDIC insurance limit.

The Escrow Account will be Interest-On-Lawyer-Account ("IOLA"). Pursuant to Judiciary Law, Section 497, all interest earned on the IOLA account will be paid to the State of New York.

Purchasers should note as a special risk that although all funds received by Sponsor for upgrades or extras to a Residential Unit will initially be placed in the escrow account, such funds may be released from the Escrow Account without the requirements outlined below as long as the Sponsor uses the funds for such upgrade or extra. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor, and actually expended, for upgrades or extras.

All instruments shall be made payable to or endorsed to the order of "Moritt Hock & Hamroff LLP, as Escrow Agent" and shall be accepted subject to collection.

The Purchase Agreement is included herein as Schedule D in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 29 of the Purchase Agreement, which must be executed by the Escrow Agent.

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. With ten (10) business days of the placing the deposit in the Escrow Account, Escrow Agent shall provide written notice to Purchaser and Sponsor, conforming 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.

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 Office of the Attorney General, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

Purchasers should note that the deposit of a Purchaser's down payment into the Escrow Account shall not be deemed acceptance by the Sponsor of the Purchase Agreement. The Purchase Agreement shall be deemed accepted by the Sponsor only when countersigned by the Sponsor.

The Escrow Agent will hold funds in escrow until otherwise directed in:

(i) a writing signed by both Sponsor and Purchaser. Sponsor and/or the Escrow Agent may require a Purchaser to execute a writing authorizing release of the funds by the Escrow Agent as a condition of closing, upon closing. Authorization of the release of funds at closing in the Purchase Agreement will be deemed such a writing. In no event shall the funds be release or authorized to be released prior to closing, unless a bond or letter of credit has been posted, pursuant to the terms of the Offering Plan, as same may be amended; or

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

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

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

The Escrow Agent will also be permitted to release the escrow funds if:

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

The Sponsor will not object to the release of the escrowed funds to:

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

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 General Business Law Sections 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Purchase Agreement, Plan, or any amendment thereto.

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

Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan, as evidenced by the

acceptance of a post-closing amendment by the New York State Department of law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to General Business Law Sections 352-3(2-b) and 352-h.

Purchasers should note that it shall be an express condition of closing of title that the Purchaser sign the form contained in Part II which will enable the Escrow Agent to release the escrow funds, if not previously released as provided above.

The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Sponsor must make a written demand for payment after a default at least thirty (30) days before forfeiture of the deposit may be declared.

A copy of the Escrow Agreement between the Sponsor and the Escrow Agent which incorporates the terms of the Attorney General's regulations is contained in Part II of the Plan as Schedule L. The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds. Upon the dissolution of the law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of the Escrow Account records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

Before escrow funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan shall be amended to provide the same full disclosure with respect to the new escrow account, the new Escrow Agent and Escrow Agreement, as was originally provided.

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

XII. EXISTING TENANTS

All purchasers of occupied Residential Units and Commercial Units shall purchase subject to the existing leases, if any. All leases may be inspected by potential purchasers to ascertain their obligations under the lease before execution of the Purchase Agreement. The tenants of said Units are entitled to certain renewal rights upon expiration of the leases, if applicable.

Unit 2D, owned by Co-Sponsor 8336 Realty, LLC, is a rent-controlled Unit. Co-Sponsor and all future purchasers of such Unit shall comply with all applicable rent-control laws and regulations. ALL FUTURE PURCHASERS OF SUCH UNIT SHOULD CONSULT WITH AN ATTORNEY CONCERNING APPLICABLE RENT REGULATION LAWS. FOR MORE INFORMATION GO TO WEBSITE:

HTTP://WWW.NYSHCR.ORG/RENTALHOUSING-OWNERS.HTM

XIII. EFFECTIVE DATE OF THE PLAN

The Conversion Offering Plan shall not be declared effective until 1) all of the Shareholders of the Cooperative shall be provided a Distribution Agreement where the Shareholders can either consent, dissent or abstain (by not responding) to the conversion of their respective shares to an ownership interest in the Condominium in the form of title in fee to this/her individual Unit and an undivided interest in the Common Elements of the Condominium ("Distribution Agreement"); 2) at least sixty-six and two-thirds percent (66⅔%) of Shareholders of the Cooperative have consented to the Conversion in their respective Distribution Agreement; 3) satisfaction of the Cooperative Debt and availability of sufficient funds for the full payment of the Conversion Obligation generated from the sale proceeds of the successful closing of four (4) Commercial Units and Residential Unit 4A pursuant to Amendment No.16 to the Cooperative Offering Plan ("Amendment No.16") accepted for filing by Department of Law December 17, 2020; and 4) subsequent thereto, an effectiveness amendment shall have been accepted for filing by the Department of Law. (Please refer to Distribution Agreement in Part II of the Plan).

If Sponsor does not have sufficient funds to satisfy the Cooperative Debt and finance the Conversion Obligation, the Offering Plan shall not be declared effective, in which case Sponsor may 1) abandon the Offering Plan, or 2) file an amendment to the Offering Plan with the Department of Law requesting an extension of the Offering Plan for an extra year in order to raise sufficient funds to finance the Conversion Obligation. The Department of Law shall have the sole discretion on whether such request is granted. If the Department of Law denies such request, Sponsor may abandon the Offering Plan. **The Corporation is not and shall not be held responsible for Holder's debt.**

Co-Sponsor will determine the number of contracted-for Units required to declare the offering plan effective based upon the total number of anticipated Units in the condominium, rather than the number of units Co-Sponsor initially offers.

Except for the Commercial Units and Residential Unit 4A, no closing to a Unit will be held until the Offering Plan is declared effective. As stated above, the Condominium Offering plan will not be declared effective until Sponsor raises sufficient funds to satisfy the Cooperative Debt and finance the Conversion Obligation. In the event the closing of the Commercial Units and Residential Unit 4A does not occur within said twelve (12) months as disclosed in Amendment No. 16 (December 17, 2020), Sponsor will not have sufficient funds to satisfy the Cooperative Debt and finance the Conversion Obligation, and the Offering Plan shall not be declared effective, in which case Sponsor may abandon the Offering Plan or file an amendment to the Offering Plan with the Department of Law requesting an extension of the Offering Plan for an extra year in order to raise sufficient funds to finance the Conversion Obligation. The Department of Law shall have the sole discretion on whether such request is granted. If the Department of Law denies such request, Sponsor may abandon the Offering Plan.

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) based on Purchase Agreements where the Purchaser has not had at least three (3) business days to review the Offering Plan and all filed amendments.

When Purchase Agreements for eighty (80%) percent of the Residential Units have been entered into, the Sponsor must declare the Plan effective.

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 consummate the Offering Plan in accordance with 13 N.Y.C.R.R. § 20.1(c)(6). If all Purchase Agreements are either rescinded or terminated prior to the date of first Unit closing, regardless of whether the Condominium declaration has been recorded, Sponsor must re-declare the Offering Plan effective.

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than one-half (½%) percent of the total amount of the offering or (ii) substantial damage or destruction of a Building by fire or other casualty which cannot be cured for less than one-half (½%) percent of the total offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys' fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within five (5) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law. If the Plan is abandoned, all deposits and interests accrued thereon from the Unsold Unit will be refunded in full to Purchasers within five (5) business days following the acceptance of filing by the Department of Law of such withdrawal or abandonment, except that after the Plan has been declared effective, Sponsor may retain the deposit of any Purchaser who is then in default under his Purchase Agreement beyond the applicable grace period or whose Purchase Agreement has been cancelled due to such Purchaser's default, provided, that any requisite notice has been given to the Purchaser. Upon the return or retention of the deposit, the Purchase Agreement pursuant to which such deposit was given will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or such Purchase Agreement.

When Purchase Agreements for eighty (80%) percent of the Residential Units have been entered into, the Sponsor must declare the Plan effective. Sponsor expects the first closing of a Residential Unit to occur on or about May 1, 2022. If such date is delayed 12 months or more, purchasers will be offered rescission.

XIV. TERMS OF DISTRIBUTION

After the Plan has been declared effective the Sponsor will fix a date for the closing of title to all Residential Units for which Distribution Agreements have been executed by serving notice on each Shareholder stating the date of the first closing and setting such Shareholder's closing date. It is anticipated that the first exchange of shares for a Unit deed (the "Closing") will occur on or about May 1, 2022.

The Conversion may trigger a default under individual mortgages held by Shareholders, as such, Shareholders must contact their mortgage lender prior to voting or entering into an agreement in regards to the conversion of their shares and to understand the direct implications of the Conversions with their current mortgage lender. Notwithstanding the foregoing, the Unit deed that will be distributed to the Shareholder, by the Corporation, will be subject to any mortgage currently outstanding and due to a financial institution (as evidenced by a properly filed UCC-1), unless the satisfaction of same has been evidenced by a properly filed UCC-13 termination at the time of the Unit deed transfer. The Unit Deed will identify the secured indebtedness as to the current secured lender, original amount and the filed UCC-1 number. The grantee of the Unit deed, the shareholder with the indebtedness, will acknowledge the debt and his/her obligation of the mortgage, if any, by signing the Unit Deed. The lender will be notified after the Unit Deed is recorded and will have the option to remain in its current status, requesting that the Unit owner execute a mortgage, or requiring that the loan be satisfied or refinanced. **The Corporation is not and shall not be held responsible for Holder's debt.**

Notice will be sent to all Shareholders who have executed and delivered Distribution Agreements to the Sponsor and whose Distribution Agreements are then in effect by (i) personal delivery; or (ii) mailing by regular mail or registered or certified mail with or without return receipt requested, addressed to the Shareholder at the last known residence of such Shareholder or, if the Shareholder has provided written information of an alternative address for notices, addressed to the Shareholder at the alternative address. If Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Shareholder, the mailing shall be addressed to such last business or employment address.

Such notice will be served no less than thirty (30) days before the date set for the closing of the Units. Sponsor is authorized to enter into Distribution Agreements with individual shareholders to participate in the conversion closings ("Group Closings"), whereby the Sponsor shall distribute the Residential Unit as a Condominium Unit to the shareholder provided that the shareholder pays the closing costs. Such closings, however, will only take place after or simultaneously with the happening of the following events:

1. The delivery to the Unit Owner of a Bargain and Sale Deed with covenants against grantor's acts. A copy of the Deed is set forth as Schedule D in Part II of the Plan.

2. 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 except for the existing leasehold interests and loans on the Unit, if any.

3. If so requested by the Shareholder, Main Street Title Agency, Inc., ("Main Street"), as agent for a title company authorized to do business in the State of New York, 190 Main Street, Suite 305, Hackensack, New Jersey 07601, (201) 487-6949, shall agree to insure that such Shareholder has good and marketable fee title in the Unit, free and clear of all liens, encumbrances and title exceptions, except those set forth below, the Deed, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the Shareholder and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law.

   Shareholders are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor.

4. The Declaration, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law.

5. The Unit and its undivided interest in the Common Elements shall not be subject to the lien of any mortgage at the time of closing except any mortgage requested by the Shareholder at the time of closing representing a purchase money mortgage or mortgages taken by the Shareholder.

6. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section will be met, that the Residential Units to be closed have been constructed in accordance with the plans and specifications filed with the Building Department of the City of New York and that the Sponsor has complied with the requirements of this Section.

7. The Shareholder shall execute an instrument in the form annexed to the Distribution Agreement designating the Board of Managers as the Shareholder's attorneys-in-fact, coupled with an interest for the sole purpose of managing, selling, mortgaging, leasing, subleasing, voting or otherwise dealing with any Units acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and designating the Sponsor as their attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and

approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Fifteen of the Declaration of Condominium.

Title to the 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 permitted below and/or described in the proposed Unit deed. Title to the Units will be subject to the following:

1. Any state of facts which an accurate survey of the building would show provided such state of facts would not render title unmarketable.

2. Any sewer, water, gas, electric, drainage, telephone, cable television or utility easements granted or to be granted hereafter.

3. All of the terms, covenants and conditions of the Declaration, the By-Laws of the Condominium and the Building Plans, as they are subsequently filed or recorded, the Offering Plan and any amendment thereto.

4. All easements set forth in the By-Laws and Declaration of the Condominium as they are subsequently recorded in the Offering Plan and Distribution Agreement, including:

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

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

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

   (d) Easements in favor of the Residential Unit Owners for access through any other part of a Building for the purpose of access, installation, maintenance, repair and replacement of any flues, vents, gas, air-conditioning, heating, ventilation, water and other mechanical lines and fixtures and any other machinery, pipes, wires,

conduits, equipment or meters servicing an individual Residential Unit.

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

(f) Easement in favor of the Sponsor, it's agents and employees for access through any part of a Building for the purpose of access, installation, maintenance, repair and replacement to of any portion of the Building, including but not limited to the installation of solar energy panels on the roof.

5. Any additional declarations, covenants, restrictions, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of a Residential Unit as a one (1) family residence.

6. Proprietary Lease for the Unit, if applicable. Please see Section Existing Tenants in Part I of the Plan for detail.

7. Any mortgage encumbering the Stock and Proprietary Lease of the Unit, if applicable.

The Sponsor has been advised by its counsel that in counsel's opinion, none of the exceptions to title herein above set forth are contrary to the terms of the Distribution Agreement nor will they interfere with the continued quiet use or enjoyment of the Unit.

THE DISTRIBUTION AGREEMENT MAY HAVE SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. EACH SHAREHOLDER SHOULD CONSULT WITH THEIR OWN ATTORNEY AND MORTGAGE LENDER BEFORE EXECUTING THE DISTRIBUTION AGREEMENT.

The Conversion may trigger a default under individual mortgages held by Shareholders, as such, Shareholders are urged to consult with their mortgage lender. Notwithstanding the foregoing, the Unit deed that will be distributed to the Shareholder by the Corporation will be explicitly subject to any mortgage that will be outstanding and due to a financial institution, that recorded a security interest in the Unit for a UCC-1. The

Unit Deed will identify the secured indebtedness as to the original secured lender, original amount and the recorded instrument number. The grantee of the Unit deed, the shareholder with the indebtedness, will acknowledge the debt and his/her obligation of the mortgage, if any, by signing the Unit Deed. The lender will be notified after the Unit Deed is recorded and will have the option to remain in its current status, requesting that the Unit owner execute a mortgage or requiring that the original loan be paid off or refinanced. (Please refer to Deed sample in Part II of the Offering Plan).

Sponsor will distribute the deed to the Unit subject to the specific proprietary lease between the Shareholder and the Sponsor for that specific Unit. Given that all proprietary leases expire on December 31, 2083, there remains at least another 64 years of break-even rent payments arising from this Unit with virtually all the "bundle of right" of property ownership retained by the current lessee of the Unit, including the right to occupy, sublease, mortgage, pledge or otherwise benefit from and thereby encumbering the Unit deed. In other words, whomever the Unit deed is distributed to subject to the current proprietary lease encumbering the Unit will not receive any rent payments in excess of the cost to maintain the Unit (no net cash flow) nor take rightful possession or occupancy. Accordingly, the encumbered fair market value of the Unit deeds being distributed to the shareholders is de minimis and therefore any capital gain attributed to the Corporation may actually be a net loss rather than a gain. Under the merger doctrine in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative's interest in the proprietary lease, the proprietary lease will merge into the Unit deed. The recording of the Unit deed (which will be subject to the proprietary lease) for each respective Unit will be followed by the recording of assignment and assumption of lessor's Interest in lease and occupancy agreement and merger of estates for each Unit as well which will complete the merger. Upon the recordation of the merger of estates and completion of the merger, the proprietary lease will be extinguished and will cease to exist. In the event a Unit Owner were to resell his or her Unit, the purchaser of said Unit would receive a Unit deed without any subjection to the proprietary lease. **The Corporation is not and shall not be held responsible for Holder's debt.**

XV. CLOSING COSTS AND ADJUSTMENTS

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

1. Fee title insurance at the estimated rates of $5.81 per thousand for the first $50,000 of fee title insurance, approximately $4.74 for each additional $1,000 of insurance up to $100,000 and approximately $3.80 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

2. Mortgage title insurance at the estimated rates of $4.84 per thousand for the first $50,000 of mortgage title insurance, approximately $3.95 for each

additional $1,000 of mortgage title insurance up to $100,000 and approximately $3.17 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

In the event a Purchaser obtains both mortgage and fee title insurance at closing, the Mortgage Policy shall be issued at a reduced rate known as the Simultaneous Mortgage Rate. The fee title insurance policy will be based on the full fee rate and the Simultaneous Mortgage Policy is based on thirty (30%) percent of the applicable mortgage rate up to the amount of the Mortgage Policy. Any excess is based on the full mortgage rates.

Purchasers are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor. Sponsor, however, makes no representation or warranty as to cost, terms or availability of such other title insurance.

3. Fees for the recording of the deed, power of attorney and any affidavit required in connection with the mortgage tax credit available under RPL §339-ee which are approximately $235, $100 and $50 for each document.

4. In the event the Purchaser shall obtain a purchase money first mortgage, Purchaser shall pay recording fees for the mortgage of approximately $100. For first mortgages in an amount less than $500,000, Purchaser shall pay mortgage tax of 2.05% of the amount of the mortgage less $25 and for first mortgages in an amount in excess of $500,000, Purchaser shall pay mortgage tax of 2.175% of the amount of the mortgage less $25. In addition, the Purchaser will be required to pay the lending institution's attorney's fees, any mortgage origination fees, bank credit and appraisal fees and other expenses that the lending institution may charge incident to the making of the permanent loan. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor may have previously paid in connection with the existing mortgage on the Condominium. There will be no mortgage closing costs pursuant to this paragraph 4 on Residential Units which are not covered by mortgages.

5. Sponsor is transferring its statutory obligation to pay New York State Transfer Tax ("NYSTT") of 0.4% of the Purchase Price where the consideration is less than $3,000,000 and 0.65% of the Purchase Price where the consideration is $3,000,000 or greater; New York City Real Property Transfer Taxes ("NYCRPTT") of one (1%) percent of the Purchase Price where the consideration is less than $500,000 and 1.425% where the consideration is $500,000 or greater. For purposes of calculating the NYCRPTT, as the Purchaser shall be responsible for paying the NYCRPTT,

the tax due New York City will be based on the Purchase Price plus the amount of both the NYCRPTT and NYSTT due, which equates to a "grossed up" Purchase Price for calculation of the NYCRPTT. For purposes of calculating the NYSTT, as the Purchaser shall be responsible for paying the NYSTT, the tax due New York State will be based on the Purchase Price plus the amount of the NYCRPTT only. In addition, the Purchaser will be responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Residential Unit which has a combined sales price of $1,000,000 or more.

The Tax Law Amendment eliminates the requirement to "gross-up" the consideration payable by a Purchaser for a Unit pursuant to a Purchase Agreement that requires the Purchaser to pay the New York State Real Estate Transfer Tax at the closing of title to the Unit. Pursuant to the Tax Law Amendment, a Purchaser will no longer pay the portion of the New York State Real Estate Transfer Tax based on grossed-up consideration.

The steps to compute the tax are:

(a) Multiply the purchase price by the State Tax Rate to compute the tentative NYSTT.

(b) Multiply the purchase price by the New York City Tax Rate to compute the tentative NYCRPTT.

(c) For NYSTT purposes, add the NYCRPTT to the purchase price (item "b")

(d) For NYCRPTT purposes, add both the NYSTT and NYCRPTT to the purchase price (items "a" and "b").

(e) Multiply the total of "c" above by the NYS tax rate for the NYSTT due.

(f) Multiply the total of "d" above by the NYC Tax Rate for the NYCRPTT due.

6. The Mansion Tax is required to be paid by the Purchaser, however the Tax Law was amended to provide that when the Purchaser fails to pay the tax, the seller is required to pay. When the seller is required to pay the additional tax because the Purchaser failed to pay, the additional tax becomes the joint and several liability of the seller and the Purchaser.

The Tax Law was amended to provide for an addition to the base tax (additional base tax) in the amount of $1.25 for each $500, or fractional part, of the consideration for certain conveyances of real property located in New York City. The tax applies to:

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

The seller is required to pay the additional base tax, but here Sponsor is transferring its statutory obligation to the Purchaser. If the seller fails to pay the tax or is exempt from the tax, the Purchaser is required to pay the tax. When the Purchaser is required to pay the tax because the seller has failed to pay, the additional base tax becomes the joint and several liability of the seller and the Purchaser. For purposes of the additional base tax, all mixed-use real property is considered residential real property. Therefore, if the consideration for the conveyance of mixed-use real property is $3 million or more, the entire consideration is subject to the additional base tax.

Residential real property includes any premises that is or may be used in whole or in part as a personal residence, and includes a one-, two- or three-family house, an individual condominium unit or a cooperative apartment unit. Mixed-use real property is real property that is used for both residential and other than residential (for example, commercial) purposes.

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $ 2 million but less than $ 3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $ 3 million but less than $ 5 million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed-use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

7. Any and all amounts then due and owing by Shareholder to Corporation under the proprietary lease, any promissory note of Shareholder payable to Corporation, any other instruments by and between Corporation and Shareholder and any other fees, charges or other amounts outstanding and payable to Corporation as of the closing date.

8. The amount of common expenses assessed against the Condominium Unit for the month following the closing date.

9. Shareholder's share of the costs of conversion not already paid by the Corporation and delivered to the Shareholder for special and supplemental services ("Supplemental Conversion Fees") by The Hutton Group and other professionals that the Shareholder may in writing separately arrange to be performed.

As an example, a Unit Owner of a Residential Unit in which the purchase price is $408,000 and who procures a first mortgage in the amount of $100,000 will pay the following approximated closing costs:

Fee Title Insurance:	$1,799
Mortgage Insurance:	$ 196
Title Endorsements	$ 100
Title Searches	$ 500
ACRIS Form Preparation	$ 250
Deed Recording Fee:	$ 300
Power of Attorney Recording Fee:	$ 150
Mortgage Recording Fees:	$ 225
Mortgage Tax:	$1,770
NYS Transfer Tax:	$1,662
NYC Transfer Tax:	$5,920
Legal Fee:	$1,500
TOTAL	$14,372

For the legal fee set forth above, it is not applicable to the Unit Deeds to be distributed to the Shareholders as it is included in the Conversion Obligation paid by Sponsor.

In the event the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against said Unit for the six (6) month period following the first closing. Said amount is to be paid by Unit Owner. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the un-transferred Units for such six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment. Until the Units are separately assessed, all post-closing amendments will disclose the amount of the funds deposited in escrow for the payment of the real estate taxes.

If through no fault of Sponsor, Unit Owner fails for any reason to close title within seven (7) days after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing date (as the case may be).

The fee title policy premiums and the recording charges set forth above are estimates based on the rates in effect as of the date of this Offering Plan. If said premiums, charges or rates are subsequently revised by the title company, the State, or Municipality, each Unit Owner shall be required to pay the title policy premiums, recording charges and closing costs in effect as of the date of the closing of title to their Residential Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be Cooperative maintenance charges, if any, Common Charges, and real estate taxes, if any. The adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the closing. The Sponsor will advise the Unit Owner of the closing date by giving him written notice at least thirty (30) days prior to the closing date.

XVI. RIGHTS AND OBLIGATIONS OF SPONSOR/CO-SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. All obligations pertaining to the Common Elements shall be enforceable only by the Board on behalf of the Unit Owners and not by the individual Unit Owners. During the time the principals of the Sponsor and/Co-Sponsors control the Board, it is within their sole power to enforce the obligations of the Sponsor and/Co-Sponsors pertaining to the Common Elements. The following shall pertain to the Sponsor and/Co-Sponsors:

1. Co-Sponsor will endeavor in good faith to market and sell the Unsold Units in the Condominium. As disclosed in Amendment No. 16 to the Cooperative Offering Plan, a Real Estate Purchase and Sale Agreement dated September 23, 2019 was fully executed between Sponsor and Co-Sponsor, 8336 Realty, LLC for the purchase of the four (4) Commercial Units and Residential Unit 4A with the total purchase price of $1,600,000.00. As Co-Sponsors retain the unconditional right to rent rather than sell the Unsold Units after consummation of the Plan and Sponsor is withholding Unsold Units from the initial offer, this Offering Plan may not result in the creation of a Condominium in which a majority of the Units are owned by owner-occupants or investors who are unrelated to the Co-Sponsors.

2. Sponsor and/or Co-Sponsor have the obligation to defend any suits or proceedings arising out of Sponsor and/or Co-Sponsor's acts, representations or omissions and to indemnify and hold harmless the Condominium Board and the Unit Owners.

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

4. Sponsor and/or Co-Sponsor have no obligations to repair or improve the Unsold Units, the Common Elements or the Facilities used in connection with the operation of the Building except as otherwise expressly provided in the Plan, and all Unsold Units will be sold in "as is" condition.

5. Sponsor and/or Co-Sponsor will procure fire and casualty insurance for the Condominium. Notwithstanding the foregoing, in the event the amount of insurance increases or additional funds are required to pay for such insurance, Sponsor and/or Co-Sponsor will have the option to lend the Condominium such funds and Sponsor and/or Co-Sponsor will be repaid out of subsequent Common Charges collected. Board approval is required to make such loan and Sponsor shall file amendment to the Offering Plan disclosing such loan terms.

6. Subject to the parameters set forth in the Changes in Prices section of the Offering Plan, Sponsor reserves the right to make any changes in the proposed Condominium documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to law or to expedite the sale of the Units to be Unsold; provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner, increase any obligations of Unit Owners to any adverse and material degree, and that any substitution of equipment or materials will not be of lesser quality or design. Co-Sponsor has no right to make any changes in the proposed Condominium documents and modifications to the Plans and Specifications.

7. The acceptance of a deed by a Purchaser/Shareholder will be deemed an acknowledgment that Sponsor and/or Co-Sponsor has performed and discharged every agreement and obligation on the part of Sponsor and/or Co-Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, and in General Business Law Section 352-e to survive delivery of the deed.

8. In view of the fact the Condominium will consist of a Building containing more than five (5) stories the Housing Merchant Implied Warranty Law contained in Article 36-B of the General Business Law is not applicable.

9. No bond or other security has been posted to secure Sponsor's obligations.

10. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six (6) years from the date the Declaration is recorded for examination by any person who has purchased a Condominium interest offered by this Plan or otherwise has participated in this offering: This Offering Plan; the proposed Declaration and By-Laws of the Condominium; public liability, fire and casualty policy, and Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of the form of Purchase Agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

11. Sponsor and/or Co-Sponsor will cause such Unit and its 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 mortgage or security agreements obtained by the Unit Owner).

12. Sponsor and/or Co-Sponsor will pay all expenses and costs incurred for the conversion of the Cooperative to the Condominium, namely the Conversion Obligation.

13. Sponsor and/or Co-Sponsor will pay all maintenance and special assessment, if any, with respect to any Unsold Units in accordance with the provisions of the By-laws. Once title is passed to a Unit Owner, the Unit Owner shall be solely responsible for all Common Charges, special assessments and real estate taxes with respect to such Unit. Sponsor and/or Co-Sponsor expect to have the financial resources to meet the aforesaid obligations with respect to Unsold Units.

14. Sponsor and/or Co-Sponsor represents that all obligations pursuant to the General Business Law, and such additional obligations under the offering plan which are to be performed subsequent to the closing date will survive delivery of the deed.

15. The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Co-Sponsor may not exercise veto power for more than five years after the closing of the first Unit or whenever the Unsold Units constitute less than 25% of the Common Interest over expenses described in Schedule B, or over expenses required (a) to comply with applicable laws or regulations, (b) to remedy any notice of violation, (c) to remedy any work order by an insurer, (d) for any matter affecting the health and safety of the occupants of the Building, or (e) to maintain the Common Areas in the condition required under the Plan, as set forth in the By-laws.

16. Co-Sponsor will have a loan secured by the Unsold Units, including Commercial Units and Unit 4A, in a total sum of $3,250,000, for satisfaction of the Cooperative Debt and financing of the Conversion Obligation. Co-Sponsor has received a commitment letter for the loan from NCB. Plan will be amended after the commitment is obtained to disclose any requirements or restrictions imposed by the lender.

XVII. CONTROL BY SPONSOR/CO-SPONSOR

Sponsor will have no voting control over the Board after closing of the first Unit. Co-Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the conveyance of the first Unit, or (ii) thirty (30) days after the conveyance of seventy-five (75%) percent of all Residential Units, including at least 12 Unsold Units, in the Condominium, whichever is sooner ("Initial Control Period"). Thereafter, Co-Sponsor shall retain the right to designate two (2) Members of the Board of Managers until such time as Co-Sponsor no longer owns a Unit. Co-Sponsors will own twenty-three (23) Residential Units, four (4) Commercial Units and eleven (11) garage spaces in the Condominium, constituting 65.225% of the Common Interest in the Condominium as a result of the conversion. Garage Parking Unit Owners are not entitled to any board designation rights.

Within thirty (30) days after the Initial Control Period, Co-Sponsor will immediately give up control over the Condominium Board and a meeting will be held to elect a new Condominium Board of three (3) members by all Unit Owners. All Unit Owners will vote in the same capacity for the new three (3) board members.

In the event that Co-Sponsor voluntarily gives up control of the Board before all Units are sold, so long as Co-Sponsor shall continue to own any Unsold Unit, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board may not, without Co-Sponsor's prior written consent, (i) make any addition, alteration or improvements to the Common Elements, or (ii) assess any Common Charge for the creation of, addition to or replacement of all or part of a reserve, a working capital, contingency or surplus fund, or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law and existing reserves are insufficient to pay for same), or (iv) increase or decrease the number of, or change the kind of, employees initially employed for the Condominium, or (v) enter into any service or

maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, or (iv) exercise a right of first refusal to lease or purchase a Unit provided, however, that Co-Sponsor's written consent is not necessary to perform any function or take any action described 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 law, remedy any notice of violation or remedy any work order of the Condominium's insurer.

Co-Sponsor may not exercise veto power for more than five years after the closing of the first Unit or whenever the Unsold Units constitute less than 25% of the Common Interest over expenses described in Schedule B, or over expenses required (a) to comply with applicable laws or regulations, (b) to remedy any notice of violation, (c) to remedy any work order by an insurer, (d) for any matter affecting the health and safety of the occupants of the Building, or (e) to maintain the Common Areas in the condition required under the Plan, as set forth in the By-laws.

XVIII. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium referred to in the Plan appear in Part II as Schedules G and H.

The following is a summary of certain provisions of the By-Laws and Declaration.

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Members designated by the Co-Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. The three (3) Members are Maurice Peress, Chandra Kant Jain and Nancy Henigson, among which Maurice Peress, Chandra Kant Jain and Nancy Henigson are members of Co-Sponsor 8336 Realty, LLC, Maurice Peress and Chandra Kant Jain are members of Co-Sponsor MDCM, LLC. All of these members have no affiliation with the Hutton Group. Until succeeded by the Members elected at the first annual meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of Co-Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

The First annual meeting of Unit Owners will be held no later than the first anniversary of the first closing, regardless of whether or not the Initial Control Period has expired. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of five (5) Members shall be elected or designated. The term of office of two (2) of the Members shall be fixed for three (3) years for the two (2) that receive the highest number of votes. The term of office for the next two (2) of the Members shall be fixed at two (2) years for the Members receiving the third and fourth highest number of votes, and the term of office of one (1) of the Member shall be fixed at one (1) year for the Member receiving the fifth highest number of votes. At the expiration of the initial term of office of

each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting. At all meetings and/or elections, each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) and any Holder of Unsold Units shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units (including, without limitation, for each Board member to be elected) in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration of Condominium.

Notwithstanding the foregoing, Sponsor will have no voting control over the Board after closing of the first Unit. Co-Sponsor will have voting control and may designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the conveyance of the first Unit Deed, or (ii) thirty (30) days after the conveyance of seventy-five (75%) percent of all Residential Units, including at least 12 Unsold Units, in the Condominium, whichever is sooner. Thereafter, Co-Sponsors shall retain the right to designate two (2) Members of the Board of Managers until such time as the Holder of Unsold Units no longer owns a Unit. Co-Sponsors will own twenty-three (23) Residential Units, four (4) Commercial Units and eleven (11) garage spaces in the Condominium, constituting 65.225% of the Common Interest in the Condominium as a result of the conversion. Co-Sponsor reserves the unlimited right to rent rather than sell the Unsold Units after consummation of the Plan and Sponsor is retaining Unsold Units from the initial offer, but will endeavor in good faith to sell the Unsold Units after the Offering Plan is declared effective. Garage Parking Unit Owners are not entitled to any board designation rights.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by at least 25% of the Residential Unit Owners. The secretary shall cause a notice of such special meeting stating the date and time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Residential Unit Owner, Commercial Unit Owner and Garage Parking Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential, Commercial and Garage Parking Unit Owners of the Condominium are present in person or by proxy. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed with or without cause by vote of the Members at a special meeting called pursuant to this section if the meeting is called for such purpose. See Article II, Section 10 of the By-Laws of the Condominium.

Removal of Members of the Board of Managers

Members may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Member, other than a Member of the first Board of Managers or a designee of the Holder of Unsold Units, shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. In the event a Holder of Unsold Units designee is removed for cause and the Holder of Unsold Units still retains ownership of at least one (1) Residential Unit, the Holder of Unsold Units shall have the sole right to designate a replacement.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by its Board of Managers. The powers of the Board of Managers include, but are not limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest. These powers including setting fees, assessments and regulations for rental and use of Common Elements.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

3. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;

4. To make repairs, maintain, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

5. To enter into and upon the Units when necessary without prior notice but at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. The Board may not enter the Units without consent except under exigent circumstances and to prevent immediate harm to individuals or the Property. No notice is required to gain access for exigent repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner must secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Residential Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth in accordance with the budget for the Condominium;

10. To bring and defend actions by or against more than one Residential, Commercial and Garage Parking Unit Owner and pertinent to the operation of the Condominium and to retain counsel for such purposes and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the financing obligations related to the Declarant's, but the Board may not incur debt on behalf of the Condominium in excess of $25,000 without first obtaining the approval of Unit Owners:

    operation, care, upkeep and maintenance of the General Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in

the Common Elements without the written consent of the Owners of said Unit.

To the extent Co-Sponsor is in control of the Board, any such transactions described herein will be promptly disclosed in an amendment to the Offering Plan.

The powers of the respective Boards of the Cooperative and Condominium are clearly described in the governing documents of each entity including their respective By-Laws, Declaration, Articles of Incorporation and Proprietary Lease, the following is a summary of the most important differences between them:

ITEM	COOPERATIVE BOARD POWERS	CONDOMINIUM BOARD POWERS
Approve New Buyer	Full right	No Right
Approve Unit Financing	Full Right	No Right
Borrow Money	Full Right	No Right over $25,000 without Unit Owner approval
Determine House Rules	Full Right	Partial Right; Must be consistent with Declaration and By-Laws
Replace Vacancies on the Board	Full Right	Full Right until next election

14. Pursuant to Section 339-y (4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Units. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit;

15. To make payment for the real estate taxes assessed to the Building until the Units are separately assessed for taxes and to collect a reasonable adjustment for same from the individual Unit Owners.

16. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit

Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

17. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws, as promulgated by the By-Laws or as incorporated in the House rules which may be amended or replaced from time to time by the Board of Managers.

Liability of Board of Managers and Unit Owners

In order to limit the liability of the Unit Owners, any contract, agreement or commitment made by the Board of Managers or Officers of the Condominium shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no Member of the Board of Managers or Officers of the Condominium nor individual Unit Owner shall be liable for such contract, agreement or commitment except that every Unit Owner shall be liable to the extent that their proportionate interest in the Common Elements bears to the total liability under such commitment. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all Members of the Board of Managers against any liabilities or claims arising from acts taken by a Member of the Board of Managers in accordance with their duties except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited to the extent that their proportionate interest in the Common Elements bears to the total liability of the Member of the Board of Managers.

Indemnification of Board of Managers

The Unit Owners of the Condominium shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). In the event a Member of the Board of Managers acts in bad faith or contrary to the provisions of the Declaration or By-Laws, the individual Member may be personally liable.

Officers

The first Board of Managers shall consist of the same individuals serving on the Board of Directors of the Co-Sponsor who shall hold office and exercise all powers of the Board of

Managers until the first annual meeting of Unit Owners. The First annual meeting of Unit Owners will be held no later than the first anniversary of the first closing, regardless of whether or not the Initial Control Period has expired. The three (3) Members are Maurice Peress, Chandra Kant Jain and Nancy Henigson, among which Maurice Peress, Chandra Kant Jain and Nancy Henigson are members of Co-Sponsor 8336 Realty, LLC, Maurice Peress and Chandra Kant Jain are members of Co-Sponsor MDCM, LLC. All of these members have no affiliation with the Hutton Group.

The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one (1) or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners, Members of the first Board of Managers or designated Members of the Board of Managers of the Sponsor. Two (2) or more offices may be held by the same person, except for the President whom can only hold the office of the President.

The President shall be the chief executive officer of the Condominium, shall preside at all meetings, shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect.

The Vice President shall take the place of the President and perform the duties of the President whenever the President is unable to do so.

The Secretary shall record all votes and the minutes of all proceedings in a book.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as may be ordered by the Board.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Residential Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Residential Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, repairs and replacements to the General Common Elements including but not limited to exterior walls of a Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and

public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements. All maintenance, repairs and replacements within and to the Units, whether structural or nonstructural, ordinary or extraordinary, will be made by the respective Unit Owners at their expenses.

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Unit exclusively shall be the responsibility of the Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor.

All maintenance, repairs and replacements to all Parking Garage Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by said Parking Garage Unit Owners.

The Condominium shall be responsible for the maintenance, repairs and replacements to all elements of the building which service two (2) or more Units and which are located in the space between the exterior face of the sheetrock wall enclosing the interior of a Unit and the exterior face of the exterior masonry wall. As such, any Common Elements located within a Unit shall not be considered a part of such Unit.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit with prior 3-day notice for the purpose of making any repairs or replacements to any of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under this Offering Plan, the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of a Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of a Building and the Board of Managers or the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Residential Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Residential Unit Owners do not resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on the Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, liability insurance, flood insurance (if applicable), fidelity bond coverage and worker's compensation, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. See Section 1, Article VII in Schedule H of Part II of the Plan. This insurance requirement will not have effect on the current insurance of the Cooperative as the Condominium will be added to the policy as an "additional insured" until renewal when the policy will be written in exclusively the name of the Condominium.

Reports to Unit Owners

All Unit Owners will receive within five (5) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners, and a notice of the holding of the annual

Unit Owners meeting. All Unit Owners shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Amendments

The Declaration may be amended upon a vote of at least sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly called meeting of the Residential Unit Owners, provided however, that:

(i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of the record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

(ii) No amendment shall be passed which shall affect, impair or prejudice the validity, interest, rights and priorities of mortgagees or the Sponsor.

(iii) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Declarant or its designee or any Unsold Unit, as long as the Declarant owns an Unsold Unit in the Condominium unless the Declarant has given its prior written consent thereto. This provision is not subject to amendment.

(iv) In the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages.

The By-Laws may be amended at any duly called Unit Owners meeting provided:

(i) That the notice of the meeting shall contain a full statement of the proposed amendment;

(ii) That the amendment shall be approved by at least sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Common Interest; and

(iii) Said amendment shall be set forth in a duly recorded amendment to the Declaration.

(iv) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which solely affects the Residential Unit(s), may only be adopted by a vote of at least sixty-six and two-thirds percent (66⅔%) of only the Residential Unit Owners.

(v) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which materially affects a Commercial Unit, may not be adopted without the written consent of the affected Commercial Unit Owner.

(vi) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which materially affects a Parking Garage Unit, may not be adopted without the written consent of the affected Parking Garage Unit Owner.

(vii) Notwithstanding any provision contained herein to the contrary, no amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of the mortgages or the Holder of Unsold Units.

No amendment to the Declaration or By-Laws shall be passed which would affect or impair the validity or priority of the Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Units. No amendment to the Declaration or By-Laws shall be passed which would impair or prejudice the rights and priorities of mortgages or the Sponsor.

Units Acquired by the Board of Managers

All Units which are acquired by the Board of Managers, or its designee as a result of foreclosure of a lien for non-payment of Common Charges, shall be held by the Board on behalf of all Unit Owners. The percentage of Common Interest acquired by the Board shall remain as originally designated in Schedule A of the Offering Plan and the Declaration of Condominium and the Board shall be responsible for paying all Common Charges appurtenant to said Unit. The Board shall be entitled to cast all votes that are appurtenant to said Units at any Unit Owners meeting for all purposes except for the election of Members to the Board of Managers.

Termination of Condominium

This property shall not be withdrawn from the provisions of Article 9-B of the Real Property Law unless at least eighty (80%) percent of the Unit Owners in number and in Common Interest and the first mortgagees, if any, of these same Units agree to the withdrawal of this property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty (80%) percent of Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

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

XIX. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Shareholder shall have the right to ratify every act that Corporation and its Board of Directors has already performed or may lawfully perform including the act of engaging The Hutton Group, Inc. to provide management and arrange for legal services related to the conversion. The Hutton Group, Inc. has no affiliation with Sponsor, Co-Sponsors and their respective principals.

Sale or Lease of Units

Any Unit may be conveyed or leased, subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease their Unit unless and until all unpaid Common Charges and special assessment, if any, assessed against the Unit Owner's Unit shall have been paid to the Board of Managers of the Condominium.

Any Unit Owner who wishes to enter into a lease for their Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Unit. Failure to comply with the above shall be deemed an automatic violation of the By-Laws of the Condominium. Rental of a Unit in the Condominium is not subject to a right of first refusal by the Board of Managers.

A Unit Owner is free to make a gift of the Unit Owner's Unit to anyone during the Unit Owner's lifetime or to devise the Unit by will, or to have it pass by intestacy without any restriction. The restrictions regarding the sale or lease of a Unit shall not pertain to the Sponsor or Holder of Unsold Units.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national original, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law, in its sale or lease of any Residential Unit which it acquires.

The terms on leases of Units are not currently subject to any state or local laws. Each Unit Owner, on the closing of title to his or her Unit shall be required to execute a Power of Attorney in the form contained in Part II of this Plan as Schedule C, as same may be amended from time to time as required by applicable law, constituting the fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, and otherwise acting in accordance with the Condominium's Declaration and By-Laws designating the Sponsor as Unit Owner's attorney-in-fact to file an amendment to the Declaration of Condominium

permitting the certification by a registered architect or professional engineer certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of a Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Fifteen of the Declaration of Condominium.

No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Real Property Law Section 339-kk

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York any non-occupying owner who rents a Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the Condominium Board. A complete copy of Section 339-kk of the Real Property Law is contained in Part II of the Plan as Schedule N.

Restrictions on Occupancy and Use

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

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Unit Owners. No Unit Owner shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang garments, rugs, etc. from the windows or from a Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements for storage unless designated for such use. No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit. All Unit Owners must maintain their thermostat at a minimum of sixty (60º) degrees Fahrenheit to avoid pipes from freezing. Any Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof. See Schedule H, Article VIII for complete details.

Restrictions on Pets

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in any area of the Condominium or a Unit without the same in each instance having been expressly permitted in writing by the Board or the managing agent of the Building and such consent, if given, shall be revocable by the Board in its sole and absolute discretion, at any time. In no event shall any Unit Owner maintain more than one (1) pet, under twenty (20) lbs., in a Unit (other than fish, which shall be limited to a tank containing not more than twenty (20) gallons) without the consent of the Board, nor shall any bird, reptile, or animal be permitted in any of the public portions of the Building, unless carried or on a leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium. In no event may any Unit Owner maintain a potentially dangerous dog or other dangerous animal in any Unit or within the Condominium. 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. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board setting forth such other rules regarding pets as the Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet as well as pay any fees charged by the Condominium..

In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All Unit Owners shall comply with the local and municipal rules and regulations regarding pets.

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

In the event a Unit Owner is found to be in violation of these provisions, the Board of Managers may require removal of the pet.

Mortgage of Units by Unit Owners

A Unit Owner may mortgage the Unit Owner's Unit at any time after the Unit Owner acquires title to the Unit in whatever amount and under whatever terms the Unit Owner can obtain provided the Unit Owner first notifies the Board of Managers. Any Unit Owner may, upon the resale of their Unit, grant a purchase money mortgage to a Unit Owner of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage.

Common Charges Assessment and Collection

The Board of Managers will prepare and furnish its budget to the Unit Owners and their mortgagees annually. Based upon such budget and any modification thereof approved by the Board of Managers, all the Unit Owners will be charged for the cost of the Common Expenses for operation of the Condominium in accordance with their interest in the Common Elements.

The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition, Common Charges may have to be increased as a result of Residential Unit Owners not paying their Common Charges.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by Auric Real Estate Management LLC, located at 97-07 63rd Road Mgmt Office, Rego Park, NY 11374, in compliance with the qualification requirements of 13 NYCRR 20.4(d) and (e). Auric Real Estate Management LLC ("Auric"), as a management company of the Cooperative, will remain serving as a management company for the Condominium, which is not an affiliate of Holder, principal of Holder or any member of the Board of Managers or Board of Directors. The employees or principals of Auric have no affiliation with Co-Sponsor, the Board of Directors, the Cooperative or the Corporation. Please see Section Identity of Parties in Part I of the Offering Plan. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for fire and other casualty insurance on the Building and the Common Elements, public liability and property damage insurance, legal and accounting expenses, supplies and a contingency reserve. The Common Charges do not include maintenance, repairs or decoration of interior of the Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. However, additional services which the Unit Owners may desire or other factors can increase these charges.

The initial Board of Managers shall commence the collection of Common Charges upon the closing of title to the first Unit. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set

forth herein. The Common Charges will initially be placed in an account in the name of the Board of Managers in a bank authorized to do business in the State of New York.

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

The Sponsor shall be liable for the Common Charges, special Common Charge assessments, real estate taxes and individual utility costs of all Units to which title has not been transferred to a Unit Owner commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a Unit Owner, the Unit Owner shall be solely responsible for all costs associated with the Unit including but not limited to Common Charges, any special Common Charge assessments, real estate taxes and all individual utility costs.

Liens for the Non-Payment of Common Charges

Under Section 339-z of the Real Property Law of the State of New York, the Board of Managers shall have a lien against each Unit for its unpaid Common Charges and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Unit except that the Board shall, in accordance with the Declaration, release the lien and right to collect unpaid Common Charges against any Unit Owner of a Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Managers may foreclose the lien in the same manner as a mortgage on real property or being a separate action to collect the unpaid Common Charges and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges thereafter assessed against the Unit Owner's Unit shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Unit Owner may convey their Unit to the Board of Managers or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and By-Laws, and in such event the Unit Owner shall be exempt from any Common Charges thereafter assessed, but not relieved of their obligation to pay the Unit Owner's mortgage. However a Unit Owner may not be exempt from liability for the Unit Owner's Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit Owner's Unit.

Upon a resale, the Unit Owner of a Unit shall be liable for the payment of unpaid Common Charges assessed against such Unit prior to the acquisition of such Unit by the

Unit Owner, except that a first mortgagee who acquires title to a Unit or a Unit Owner at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Unit by the first mortgagee or Unit Owner at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

Repairs, Alterations and Improvements to the Units

No Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Unit Owner's Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Units, without the prior written approval of the Board of Managers. Furthermore, no Unit Owner may alter or remove any interior wall without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed addition, alteration or improvement. No Unit Owner will make any addition, alteration or improvement of a structural nature in or to any Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Units, without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer. The Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from their alterations, additions or improvements to their Unit.

Any application to any department of The City of New York or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The above provisions regarding changes to a Unit shall not apply to Units owned by the Sponsor or its designee or by a Holder of Unsold Units or its designee, until such Units shall have been initially conveyed to a bona fide Unit Owner by the Sponsor, such designee or Holder of Unsold Units.

All maintenance (including electrical repairs and plumbing stoppages in the Units, interior painting and decorating of the Units), repairs and replacements to the interior of the Units including repairs to the heating/air conditioning system servicing said Unit whether inside or outside the Unit, all appliances located therein, pipes, wires and conduits servicing a single Unit other than as may be set forth in the Condominium By-Laws shall be made by the respective Unit Owner at the Unit Owner's sole cost and expense. All maintenance and repair to the interior portion of the window area and doors which open from a Unit are the responsibility of the Unit Owner at the Unit Owner's sole cost and expense. All maintenance, repair and replacement to the external portion of the window area, the actual window and external portion of the doors which open from a Unit will be the responsibility of the Condominium, unless the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Unit are caused as a direct result of the negligence or act of a Unit Owner. In such an event it shall be the Unit Owners responsibility to repair or replace the external portion of the window, the window or the external portion of the doors which open from a Unit.

In the event that the Unit Owner fails to make any repair or creates any condition which affects a Building, the General Common Elements, the Limited Common Elements, or any other Unit, the Board of Managers, may, upon notice given in accordance with the provisions of the By-Laws, make such repair or correct such condition and charge the Unit for the cost of such service.

All maintenance, repairs and replacements to Garage Parking Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by said Parking Garage Unit Owners.

In the event it becomes necessary for the Board of Managers to bring any lawsuit or other proceeding to enforce its right to make such repair or correct such condition or to collect any sum due on account thereof, the Board of Managers shall also be entitled to collect reasonable attorney's fees in connection with such suit or proceeding.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, liability insurance, flood insurance (if applicable), fidelity bond coverage and worker's compensation, water damage, vandalism and malicious mischief endorsements insuring a Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, any air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of a Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

In addition to the insurance set forth herein, the Unit Owner must insure their personal effects and the interior of the Unit itself for fire and liability. Such insurance will be payable by the Unit Owner directly.

The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the Insurance Trustee if the loss shall amount to more than $40,000 to be applied for the purpose of repairing, restoring or rebuilding a Building unless otherwise determined by the Unit Owners, as hereinafter set forth.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by the Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The amount of fire insurance to be maintained on the entire Building upon the transfer of title to the first Unit and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be in the amount reflected in the footnotes to Schedule B, the budget for the first year of operation of the Condominium. The Board of Managers shall review the amount of fire insurance annually.

A New York Bank or Trust Company shall be the Insurance Trustee unless or until replaced by a bank or trust company in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall also be a bank or trust company in the State of New York

designated by the Board of Managers. The Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a General Common Expense. The Board of Managers shall also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all employees of the Condominium who handle Condominium funds; (2) Worker's Compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, public liability insurance covering each Member of the Board of Managers and each Unit Owner, in such limits as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year.

The public liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be a limit of $1,000,000 per occurrence covering all claims for bodily injury and for property damage arising out of any one (1) occurrence in the Common Elements.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE UNIT OWNER'S PERSONAL EFFECTS AND INTERIOR OF THE UNIT. UNIT OWNERS MUST SECURE SUCH COVERAGE.

The insurance the Sponsor will initially procure for the Condominium will contain officers and directors liability or fidelity bond insurance.

The Board will arrange for repair of the Units in the event of casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units, after fire or casualty and condemnation provisions see Article VII and XII of the By-Laws. In the event of a casualty loss, the Unit Owners will continue to pay the Common Charges on his or her Unit.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy. See Schedule B for the estimated insurance costs of the Condominium.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws. The Board of Managers will exercise its right of access, when necessary, without prior notice, but at as little inconvenience to the Unit Owners as possible, in connection with the maintenance,

care and preservation of the property. The Board may not enter the Units without consent except under exigent circumstances and to prevent immediate harm to individuals or the Property. No notice is required to gain access for emergency repairs or for the Board of Managers to carry out any of its obligations under the Declaration and By-Laws.

By-Laws and Rules and Regulations

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as any rules and regulations contained in the Declaration or By-Laws or established by the Condominium in accordance therewith. The rules and regulations set forth in the Declaration and By-Laws can be found in Part II of the Plan in Schedule G, Article Seventeenth and Schedule H, Article I. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the rules and regulations established therewith.

The provisions of the By-Laws which requires Members of the Board of Managers to be Residential Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers, any Holder of Unsold Units.

Easements

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

Each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, an easement for the use of a Unit's Limited Common Elements and any facilities located therein, including but not limited to, such easement as will be necessary to operate, maintain, repair, rebuild, restore and replace, as necessary, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, water and ventilation.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

The Board of Managers, its agents and employees shall have a right of access to the Units and to the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or any pipe, wire, or conduit therein or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of General Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A.

The Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. The original share allocation of each Unit as a cooperative appears to incorporate all these factors and was used as a basis for determining the percentages for each respective Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York. This percentage determines the amount each of said Unit Owners will pay for their Common Charges.

The percentage of the undivided interest in the Common Elements shall not be changed except with the consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration.

Copies of both the Declaration and By-Laws are contained in Part II of the Offering Plan.

XX. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed. After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owners will not be responsible for the payment, nor will the Unit be subject to any lien arising from the non-payment of real estate taxes on Units other than their own. The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes together with estimated Common Charges on each Unit and other carrying costs are set forth on Schedule A.

The New York City Department of Finance is the assessing authority with jurisdiction over this Condominium. Real estate tax estimates are based upon current tax information from the Cooperative Apartment Corporation tax bills. The current tax bill has

been divided and allocated among the Residential Units, based upon their Percentage of Common Interest.

Pursuant to the Opinion Letter from Highpoint Incentive Inc., 769 Empire Avenue Far Rockaway, NY 11691, dated July 26, 2021, as set forth in Part II of the Offering Plan, the department of Finance has determined the 2021/2022 Market Value of the Property as $4,144,000, the Assessed Value as $1,864,800 and the Taxable Value as $224,059.45 (see Exhibit B attached). Based on these valuations, which are the same for the property whether it is taxed as a cooperative or a condominium, and the 2020-2021 tax rate of 12.267% applicable to all Class 2 properties (rental properties, cooperative and condominiums), we have prepared the attached Exhibit C which lists each residential, parking and commercial condominium unit and the projected annual and monthly property taxes for 2021/2022 tax year.

Moritt Hock & Hamroff LLP, as set forth in Section XXV Identity of Parties in Part I of the Offering Plan, makes no representations as to the implications set forth herein and rely on the tax representations of Sponsor's tax professionals as set forth in the Opinion Letter from Highpoint Incentive Inc. included in Section I Certifications of Part II of the Offering Plan. (See Section XXV in Part I and Section I in Part II of the Offering Plan for detail.)

Although the aforesaid estimate of actual assessed valuation is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In no event will the consultant, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that predicted above or if the administrative code and the applicable rules and regulations of the City of New York are in the future changed or if the facts as represented, prove to be untrue.

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

Each Unit will be given a separate block and lot designation.

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

The estimate of real estate taxes for each Unit for the first year of Condominium operation further assumes that the amount of real estate taxes payable with respect to each Unit will be calculated by dividing the total tax liability among the Units in proportion to the percentage of Common Interest of the individual Units indicated in Schedule A. There is no assurance that the City of New York will allocate taxes among the Units in proportion to the individual Units' percentage of Common Interest. If they do not, Owners of Units with the same percentage of Common Interest will pay different amounts of real estate taxes.

Although in the Sponsor's opinion this method of calculating the real estate taxes applicable to each Unit is reasonable, there can be no assurance that final exemption will be granted or that this method of calculation of real estate taxes applicable to each Unit will be the final method used by the New York City taxing authorities in establishing the real estate tax assessment for each Unit. If for any reason a different method of calculation is used or a different assessment is placed upon any of the Units by such authorities, real estate taxes may increase or decrease, depending upon the final decision of such taxing authorities.

In the event the Units have not been separately assessed for real estate tax purposes, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the Units in the Condominium for the six (6) month period following the first closing. Thereafter, at each closing during said period, each Unit Owner will reimburse the Sponsor for the pro-rata amount paid on behalf of said Unit. In the event the actual assessment is greater than the amount adjusted, Unit Owner agrees to reimburse Sponsor after the closing to the extent of the actual assessment. In the event the actual assessment is less than the amount adjusted, Sponsor agrees to reimburse Unit Owner after the closing to the extent of the actual assessment.

Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six (6) month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from Unit Owners to the extent of the actual assessment.

Unit Owners will not be responsible for or subject to any lien arising from the non-payment of real estate taxes on any other Unit.

There are no tax certiorari proceedings currently pending for the property. The By-Laws empower the Board of Managers to bring such proceedings on behalf of the Unit Owners.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the

final tax costs, but are merely estimates based upon information available to the Sponsor at this time. In no event will the Sponsor or Sponsor's Counsel be liable to any Unit Owner under this Plan, nor will any Unit Owner have the right to rescind his or her Distribution Agreement, in the event the amount of the taxes differ from those projected.

XXI. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM AND COOPERATIVE

Condominium

The Sponsor has been advised by its counsel, Moritt Hock & Hamroff LLP, that each Residential Unit Owner will be entitled under present law to a deduction for Federal and New York State income tax purposes for the real estate taxes paid by him covering his Residential Unit, up to a maximum of $10,000 per year, inclusive of state and local taxes, and, provided the Residential Unit is used as the Residential Unit Owner's primary residence or one (l) other residence that the Residential Unit Owner selects pursuant to Section 163(h) of the Internal Revenue code of 1986 and the Tax Cuts and Jobs Act of 2017, for the interest paid by the Residential Unit Owner on any mortgage covering the Residential Unit Owner's Unit, up to a maximum loan amount of $750,000. Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold. See the Opinion of Counsel in Section XXIII of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

A residential Unit Owner may apply for basic STAR benefits if the Unit is their primary residence and their income is $250,000 or less (or $500,000 or less for combined income). A residential Unit Owner of age 65 or older may apply for enhanced STAR benefits if the Unit is their primary residence and their income is $88,050 or less. Please refer to the website of New York Department of Taxation and Finance for detail: https://www.tax.ny.gov/pit/property/star/eligibility

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations, as it relates to income derived from Common Charges. In order to qualify,

sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result the Condominium will be eligible to be treated as a tax exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXI of the Offering Plan.

Purchasers should note that Moritt Hock & Hamroff LLP is counsel for the Sponsor and Purchasers should consult with their own attorneys or tax professionals to verify any statements made within this section of the Offering Plan. (see Rev. Ruling 74-99, 1974-1 C.B. 131).

Cooperative

The Sponsor has been advised by Cesarano & Khan, PC, Certified Public Accountants, 199 Jericho Turnpike, Suite 400, Floral Park, New York 11001 ("Cesarano"), that there should be no income tax gain recognized by the Corporation as long as the distribution from the Corporation of the Residential Units to the Shareholders is in exchange for the current shares of stock in the Cooperation currently held by the Shareholder, and such Residential Unit is used as the Shareholder's principle residence.

Sponsor has been further advised by Cesarano that a Shareholder who exchanges currently held shares of stock in the Cooperation for the distribution of a Residential Unit may be subjected to income tax liability. The determination of the amount of such income tax liability is based on the value of the Residential Unit at the time of transfer versus the tax basis of the Cooperation shares of stock of the Corporation at that same time.

Sponsor has been further advised by Cesarano that since the tax basis, valuation of the asset distributed and the tax status for each Unit and each Shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile.

Upon dissolution of the Corporation, as a result of the conversion from the cooperative to Condominium, the Corporation will no longer be in IRC 216 status and the Corporation will be extinguished without incurring any tax liability (gain tax, if applicable, excepted). (For detail, please refer to 26 U.S. Code § 216 - Deduction of taxes, interest, and business depreciation by cooperative housing corporation tenant-stockholder.) The Shareholders of the Corporation, however, upon closing, become Unit Owners of the Condominium Units and are obligated to pay their own real estate taxes directly to the Department of Finance.

There are potentially two (2) levels of income tax liability, one for the corporation ("Corporate Tax") and one for the individual shareholders ("Individual Tax"). Both the Corporate Tax and the Individual Tax requires that the fair market value ("FMV") of the asset being distributed to the shareholder by the Corporation be determined in some objective manner.

In this case, the asset will be the lease-encumbered unit deed to the apartment that the co-op shareholder has the proprietary leasehold interest in and the FMV will to be determined through an independent appraisal of the unit deed subject to and encumbered by the proprietary lease. The resulting FMV would then be used to compare to the tax basis for both the Corporation and the individual shareholder to determine if there was a gain or loss.

If there is a gain for the Corporation, it would be reduced by the proportionate share of the units that are occupied by the respective shareholder as their principal residence in accordance with Internal Revenue Code (IRC) Section 216 (e). Thereafter, any net operating loss carryforwards could further reduce the net gain before the federal capital gain tax percentage is applied to determine the potential projected Corporate Tax resulting from the conversion.

Using the assumptions made Cesarano, in Exhibit D, the Corporate Tax calculated under such methods can range from zero (no tax) to as much as $537,830 (in the unlikely event that the fair market value excluded the encumbrance of the proprietary lease). If the Corporate Tax were determined to be more than zero, the shareholders would pay their pro-rata share per the terms each agreed to under the Distribution Agreement Paragraph 1(D).

Pursuant to the opinion letter Cesarano, the corporate level of taxation is different for the Shareholders who use their Unit as their primary residence as compared to those holding the Unit as a second home or as an investment. Internal Revenue Code (IRC), Section 216 (e), provides that no gain or loss shall be recognized at the corporate level on the distribution by a cooperative housing corporation of a dwelling Unit to a shareholder if such distribution is in exchange for the stockholder's share or interest in the corporation and such dwelling Unit is used as his principal residence. Therefore, the cooperative corporation will have to recognize a gain or loss on the distribution of a Unit to a shareholder who does not use such Unit as his/her primary residence. Internal Revenue Service (IRS) provided guidance on this issue in a Private Letter Ruling (PLR) that supports the Consultant's approach to the fair market value of an encumbered deed with the proprietary lease that is distributed to the shareholder of a Unit. In that PLR, the IRS determined that encumbrance of the proprietary lease held by the shareholder for the Unit must be considered in establishing the fair market value of the Unit that is distributed to the Shareholder during conversion.

Moritt Hock & Hamroff LLP, as set forth in Section XXV Identity of Parties in Part I of the Offering Plan, makes no representations as to the implications set forth herein and rely all the tax representations of Sponsor's tax professionals as set forth in the Opinion

Letter from Highpoint Incentive Inc. and Opinion Letter from Cesarano, included in Section I Certifications of Part II of the Offering Plan. (See Section I in Part II of the Offering Plan for detail.)

Sponsor will distribute the deed to the Unit subject to the specific proprietary lease between the Shareholder and the Sponsor for that specific Unit. Given that all proprietary leases expire on December 31, 2083, there remains at least another 64 years of break-even rent payments arising from this Unit with virtually all the "bundle of right" of property ownership retained by the current lessee of the Unit, including the right to occupy, sublease, mortgage, pledge or otherwise benefit from and thereby encumbering the Unit deed. In other words, whomever the Unit deed is distributed to subject to the current proprietary lease encumbering the Unit will not receive any rent payments in excess of the cost to maintain the Unit (no net cash flow) nor take rightful possession or occupancy. Accordingly, the encumbered fair market value of the Unit deeds being distributed to the shareholders is de minimis and therefore any capital gain attributed to the Corporation may actually be a net loss rather than a gain. Under the merger doctrine in real estate, merger is the absorption of a lesser estate by a greater estate and takes place when two distinct estates of greater and lesser rank meet in the same person or class of persons at the same time without any intermediate estate. Similarly, once a Shareholder-lessee of the Cooperative receives the distribution of the deed to their Unit and the assignment of the Cooperative's interest in the proprietary lease, the proprietary lease will merger into the Unit deed. The recording of the Unit deed (which will be subject to the proprietary lease) for each respective Unit will be followed by the recording of assignment and assumption of lessor's Interest in lease and occupancy agreement and merger of estates for each Unit as well which will complete the merger. Upon the recordation of the merger of estates and completion of the merger, the proprietary lease will be extinguished and will cease to exist. In the event a Unit Owner were to resell his or her Unit, the purchaser of said Unit would receive a Unit deed without any subjection to the proprietary lease.

At the individual tax reporting for Units that are used as the principal residence or a second home, the conversion to Condominium could be reported in several ways depending on each Shareholder's circumstance, status and tax basis, all of which should be discussed between the shareholder and their own accountant or tax advisors. Some examples are as follows:

i. Sale & Repurchase for a Resident Owner – As a sale of the stock to the cooperative and an immediate purchase back of their Condominium Unit. The market value of sale price (of the shares) and purchase price (deed) is the same for tax calculation purposes. But since the co-op owner has all the equitable ownership already, the value of what is received (title to the Unit) has little to no value. The proprietary lease reduces the value of what the converting owner receives to a point where the taxable gain is de minimis or negative. Even if there is a gain, under current IRS rules such gain from the sale of a Unit that is used as the principal residence of the taxpayer may be tax exempt up to $250,000 (single) or $500,000 (married).

ii. Deferred any Gain or Loss Until Sold for a Resident Owner – Defer their gain or loss until they have sold their Unit. This method is based on the theory that the converting co-op owner already owns almost all the rights of real property ownership except legal title which he or she acquires at conversion. All conversion costs are added to the owner's tax basis which is used to calculate gain or loss when the Unit is sold in the future as a Condominium. Under current IRS rules, gain from the sale of a Unit that is used as the principal residence of the taxpayer 2 out of 5 last years may be tax exempt up to $250,000 (single) or $500,000 (married).

iii. 1031 Exchange for Non-Resident Owner - The Unit Owners that participate in the conversion and are held for investment purposes are structured as a Section 1031 (like-kind) exchange where all gain is deferred until the investor sells the Condominium Unit for full, unencumbered market value.

ALL UNIT OWNERS ARE ENCOURAGED TO SEEK THE ADVICE OF THEIR OWN TAX ADVISOR OR ACCOUNTANT TO DETERMINE THEIR POTENTIAL TAX CONSEQUENCES FOR THE EXCHANGE OF THE SHAREHOLDERS SHARES OF STOCK IN THE COOPERATIVE CORPORATION FOR THE DISTRIBUTION OF A RESIDENTIAL UNIT DEED AND FOR ANY INCOME TAX LIABILITY OF THE COOPERATIVE.

XXII. OPINION OF COUNSEL

February 2, 2022

82-04 Lefferts Tenants Corp.
c/o 97-07 63rd Road Mgmt Office
Rego Park, NY 11374

Re: The Beverly Condominium

Gentlepeople:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage, up to a maximum of $750,000, which becomes a lien on a Condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, which are assessed against the Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal, New York State and New York City Income Taxes payable by the owner of such Condominium Residential Unit.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B.1964-300), the corresponding provision of the New York State Law (See Section 615 of the Tax Law) and the Tax Cuts and Jobs Act of 2017, such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Residential Unit, in connection with their Federal, New York State and City income taxes. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is either their principal residence or the one other residence selected pursuant to Section 163 (h) (5) (A) (i) (II) of the Code will be entitled, under Section 216 (a) (2) of the Code and Section 615 (a) of the State Law, and the Tax Cuts and Jobs Act of 2017, to deduct interest paid or accrued by the Residential Unit Owner on any mortgage, up to a maximum of $750,000, which becomes a lien on a Condominium Residential Unit. The Residential Unit may be so selected if the Residential Unit Owner either uses it as a residence within the meaning of Code Section 280A (d) (1) (i.e., uses it for personal purposes for a number of days which exceed the greater of fourteen (14) days, or ten (10%) percent of the number of days during the year for which the Residential Unit is rented at a fair rental), or neither rents nor uses the Residential Unit at any time during the year. In addition, certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Residential Unit.

Pursuant to the tax opinion letter rendered by Highpoint Incentive Inc., dated June 22, 2020, there are currently no tax abatement/benefits on the Property and Sponsor has no intention to apply for any tax abatement/benefits on the Property.

A Residential Unit Owner shall be entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Residential Unit, up to a maximum of $10,000 per year. Purchaser should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

A residential Unit Owner may apply for basic STAR benefits if the Unit is their primary residence and their income is $250,000 or less (or $500,000 or less for combined income). A residential Unit Owner of age 65 or older may apply for enhanced STAR benefits if the Unit is their primary residence and their income is $88,050 or less. Please refer to the website of New York Department of Taxation and Finance for detail: https://www.tax.ny.gov/pit/property/star/eligibility.htm.

Pursuant to an expert letter from Auric Real Estate Management LLC dated May 26, 2020, the percentage of Common Interest for each Unit as contained therein has been 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. The original share allocation of each Unit as a cooperative appears to incorporate all these factors and was used as a basis for determining the percentages for each respective Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

Pursuant to the Opinion Letter from Highpoint Incentive Inc., as set forth as Exhibit "I", The Department of Finance has determined the 2020-2021 Market Value of the Property as $4,692,000, the Assessed Value as $2,111,400 and the Taxable Value as $1,809,093. Based on these valuations, which are the same for the Property whether it is taxed as a cooperative or a condominium, he 2020-2021 tax rate of 12.473% is applicable to all Class 2 properties (rental properties, cooperative and condominiums).

Pursuant to a letter dated June 15, 2020 from Cesarano & Khan, PC ("Cesarano"), a Certified Public Accountants, 199 Jericho Turnpike, Suite 400, Floral Park, New York 11001, Section 216 of Internal Revenue Code ("IRC") provides that except as provided in regulations, no gain or loss shall be recognized on the distribution by a cooperative housing corporation of a dwelling Unit to a stocker holder in such corporation if such

distribution is in exchange for the stockholder's stock in such corporation and such dwelling Unit is used as his principal residence. Therefore, no gain is recognized by the Cooperative on distribution of a dwelling Unit to a shareholder if the distribution is in exchange for said shareholder's stock in the Cooperative and the distributed dwelling Unit is used as said shareholder's principal residence.

Cesarano stated that the exchange of the Cooperative shares for a Condominium Unit may be a taxable event. Therefore, the conversion of the Cooperative to the Condominium may result in tax liabilities payable by the shareholder who does not use their Unit as his/her primary residence. However, under Section 121 of IRC, $250,000 (or $500,000 for married taxpayers filing jointly) can be excluded from any resulting gain by qualifying shareholders. Additionally, if a shareholder has been holding the Cooperative shares for investment or use in a trade or business, the exchange may be treated as a tax-deferred exchange under Section 1031 of IRC (provided that the IRS continues to treat the Cooperative shares as interests in real property.)

Cesarano further stated that in determining tax liability for either the Cooperative or its shareholders, any gain will depend on the value of the asset that is distributed to the shareholder and the tax basis of that asset for the Cooperative. Moreover, any net operating loss carryforward may offset such tax liability, subject to the 80% net operating loss provision and other provisions included in the "Tax Cuts and Jobs Act". As the tax basis, valuation of the asset distributed and the tax status for each Unit and each shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile. THEREFORE, ALL SHAREHOLDERS SHOULD BE ENCOURAGED TO CONSULT WITH THEIR OWN TAX ADVISOR OR PROFESSIONAL AS TO THE POTENTIAL TAX IMPACT OF THE CONVERSION OF THEIR OWNERSHIP IN THE COOPERATIVE TO A CONDOMINIUM.

Moritt Hock & Hamroff LLP, as set forth in Section XXV Identity of Parties in Part I of the Offering Plan, makes no representations as to the implications set forth herein and rely all the tax representations of Sponsor's tax professionals as set forth in the Opinion Letter from Highpoint Incentive Inc. and the Opinion Letter from Cesarano, included in Section I Certifications of Part II of the Offering Plan. (See Section I in Part II of the Offering Plan for detail.)

In adding a new Section 528 to the Code, the Tax Reform act of 1976 affords certain Condominiums, substantially all of whose Residential Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium

properties, which properties, as defined in Section 528 of the Code, include property held by the Condominium, or property within the Condominium. Based upon our examination of the Offering Plan and subject to the Condominium, actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium may be eligible to be treated as a tax exempt organization under Section 528 of the Code. But we do not provide any guaranty of such election.

Such an election will exempt from Federal, New York State and New York City Income Taxation all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. In the event the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners not expended in any taxable year, be subject to Federal, New York State and New York City Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each Residential Unit Owner's assessment for such purposes would add to their tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that all expenses are designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the Declaration and By-Laws pertaining to the proposed Condominium. It is our opinion that the Declaration and By-Laws, when recorded, will validly create a Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.

In our opinion, the Condominium may be eligible for tax exempt status, if it so elects, and Residential Unit Owners will be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will

the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, any selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statues, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of Section 528 of the Code or the New York State tax law as amended or New York City tax law and Residential Unit Owners not to be entitled to income tax deductions.

We specifically express no opinion or representation with respect to any income tax, transfer tax or other liabilities, which may affect the Cooperative and/or the Unit Owners.

It is our understanding that this letter will be made a part of the Offering Plan of The Beverly Condominium and we consent to its inclusion therein.

Very truly yours,

MORITT HOCK & HAMROFF LLP

By: Anthony Ficara

Anthony J. Ficara, Partner

XXIII. RESERVE FUND

Under the provisions of the By-laws, the Board of Managers has the right to establish a Reserve Fund for capital replacements or repairs. The Board of Managers will be able to utilize the funds in the Reserve Fund at any time. However, in no event shall any portion of the Reserve Fund be used to pay any Common Charges attributable to Unsold Units. The Reserve Fund, plus any budgeted yearly Reserve Fund may not be sufficient to provide for needed capital expenditures within five (5) years of Condominium operation. 13 NYCRR Section 20.3 (z).

The Condominium first year budget includes as an annual reserve fund line item of $32,829, with an annual increase of 7.0% per year over the 30-year term, to be collected out of the maintenance charges paid by the Unit Owners. The reserve fund is to be used for replacement of the Common Elements. See Footnote 15 to Schedule B for complete details.

No representation is made that the reserve fund will be adequate for future replacements of Common Elements. If additional funds are required over and above the reserve fund, it may be necessary to increase the maintenance charges or Common Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the reserve fund.

XXIV. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Condominium Board will enter into a Management Agreement (the "Agreement") with Auric Real Estate Management LLC, (the "Managing Agent"). The Management Agent has no affiliation with Sponsor and/or Co-Sponsor, principals, directors, officers of Sponsor and/or Co-Sponsor. The Agreement will be for a term commencing upon the date of the conveyance of the First Unit and expiring three (3) years thereafter, at an annual fee of approximately $24,500 payable in equal monthly installment (hereinafter the "Management Fee"). Such Management Agreement may be terminated by the Condominium Board at any time, with or without cause, on 60 days prior written notice to the Managing Agent. If the Condominium Board fails to notify the Managing Agent in writing, at least thirty (30) days prior to the expiration date, of its desire to terminate this Agreement, this Agreement shall be extended on a month to month basis on the terms and conditions stated herein with the exception of the amount of compensation paid by the Condominium Board to Managing Agent which will be increased by 4% per annum unless otherwise negotiated between the parties. Please see the Management Agreement in Part II of the Offering Plan.

1. The Managing Agent shall generally do all acts reasonably deemed necessary or desirable by the Condominium Board for the proper management of the Common Elements of the Condominium. The Managing Agent will be obligated to bill

and collect Common Charges, hire and fire employees, supervise alterations and repairs, maintain the Condominium's books and records, advise the Condominium Board regarding its proposed annual budget, purchase supplies for the Condominium and generally perform the duties of a Managing Agent for Condominium. In performing these duties, the Managing Agent may engage contractors on behalf of the Condominium Board for the purpose of carrying out the maintenance and repair of the Common Elements.

2. The Management Fee will be paid by the Condominium Board and will be charged to all Unit Owners as a Common Expense. Dominic V. Martorana, having an address c/o at 97-07 63rd Road MGMT Office, Rego Park NY 11374, will be the officer of the Managing Agent. Mr. Martorana has extensive experience in managing cooperative or Condominium buildings.

3. The annual financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board whose fees are to be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

4. All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Condominium Board and charged to the Unit Owners as a Common Expense. In addition, the Condominium Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Condominium Board or for personal injury or property damage not resulting from the Managing Agent's gross negligence or willful misconduct.

XXV. IDENTITY OF PARTIES

Sponsor

The Sponsor of the Condominium is 82-04 Lefferts Tenants Corp., a New York cooperative apartment corporation legally incorporated and validly existing under the laws of New York, and its successors and/or assigns, all of which are collectively referred to as "Sponsor", with an address at c/o, 97-07 63rd Road, Mgmt Office Rego Park, NY 11374. Sponsor 82-04 Lefferts Tenants Corp. acquired the Property on February 11, 1986. The Corporation was formed on March 8, 1983. The Sponsor and Co-Sponsors has not had any prior public offerings.

The Co-Sponsors of the Condominium are 8336 Realty, LLC, a New York limited liability company and MDCM, LLC, a New York limited liability company, and their respective successors and/or assigns, all of which are collectively referred to as "Co-Sponsors" and individually as "Co-Sponsor", with address at 83-36 Beverly Road, Apt. #2C Kew Gardens, NY 11415.

The Principals of Co-Sponsor 8336 Realty, LLC are Maurice Peress residing at 714 Sprague Ave., Franklin Square NY, Chandra Kant Jain residing at 8336 Beverly Rd., 2C, Kew Gardens NY and Nancy Henigson residing at 4 Norfolk Rd., Great Neck NY.

The Principals of Co-Sponsor MDCM, LLC are Maurice Peress residing at 714 Sprague Ave., Franklin Square NY and Chandra Kant Jain residing at 8336 Beverly Rd., 2C, Kew Gardens NY.

Maurice Peress, Chandra Kant Jain and Nancy Henigson are members of Co-Sponsor 8336 Realty, LLC, and Maurice Peress and Chandra Kant Jain are members of Co-Sponsor MDCM, LLC. All of these members above principals for Sponsor and Co-Sponsors have no affiliation with the Hutton Group.

Neither the Sponsor, Co-Sponsors, Principals of the Sponsor, Principals of the Co-Sponsors have been involved in any prior public offerings in the past five (5) years nor does Sponsor, or the Principals of the Sponsor, own ten (10%) percent or more of any unsold units in any other condominium, homeowners association or cooperative in the State of New York.

Neither the Sponsor, Co-Sponsors, Principals of the Sponsor, Principals of the Co-Sponsors have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

The Board of Directors of Sponsor are: Chandra Kant Jain, residing at 8336 Beverly Rd., 2C, Kew Gardens NY, Maurice Peress, residing at 714 Sprague Ave., Franklin Square NY, and Nancy Henigson, residing at 4 Norfolk Rd., Great Neck NY.

The Principals of Sponsor are Chandra Kant Jain, residing at 8336 Beverly Rd., 2C, Kew Gardens NY, Catherine A. Hoffman, residing at 76 Shortridge Dr., Mineola NY, Maurice Peress, 714 Sprague Ave., Franklin Square NY, Sharon Jain, residing at 8336 Beverly Rd., 2C, Kew Gardens NY and Nancy Henigson, residing at 4 Norfolk Rd., Great Neck NY. Chandra Kant Jain has more than fifteen (15) years of experience in real estate management. Catherine A. Hoffman has more than three (3) years of experience in education. Maurice Peress has more than seven (7) years of experience in sales and distribution. Sharon Jain has been retired from at least ten (10) years of experience in retail sales since 2002. Nancy Henigson has more than five (5) years of experience in real estate foreclosures.

None of the above principals for Sponsor and Co-Sponsors have an affiliation with the Hutton Group.

Conversion Consultants

The Hutton Group, Inc.(“Hutton”), 500 7th Avenue, New York, NY 10018, have been selected by Sponsor to provide consulting services in regards to the Cooperative’s conversion of their Shareholders’ cooperative interest to Condominium. In 2017, a board member of the Co-Sponsor contact Hutton to prepare a feasibility study to convert the Cooperative to a Condominium, which Hutton did and presented to the Board and eventually to all the shareholders of the Cooperative. The agreement with Hutton requires that the Cooperative pay Hutton a total fee of up to $400,000 for all services and costs

for the conversion which is expected to be paid from the proceeds of the sale of the Commercial space and Unit 4A. The above fee is paid upon the successful distribution of Unit deeds to the shareholders/Lessees in the Cooperative. Neither Hutton or any of its officers or employees have been paid any amount towards the proposed distribution of assets. The agreement with Hutton was ratified by the Resolution adopted by 87% of the shareholders in interest on November 6, 2017. (See Resolution in Part II) A copy of said agreement can be found in Part II of this Offering Plan. The Attorney General of the State of New York had never put any restrictions or bans on Mr. Boyajian and there is no settlement agreements or assurances of discontinuance entered into between Attorney General of the State of New York and Mr. Boyajian.

Jack Boyajian is the President of The Hutton Group, Inc ("Hutton") but has never had an ownership interest in Hutton. Hutton is owned by David and Arnaud Boyajian, who are two sons of Jack Boyajian. From 2001 through 2006, Jack Boyajian was the owner of two separate law firms, Boyajian Law Offices and JBC Legal Group ("Law Firms"), each with multiple offices throughout the country. Nearly all of their work was connected to consumer debt collections, distressed debt management and legal representation relating to creditor's rights. While there were several civil suits filed against the Law Firms by private and public entities, most resulted in dismissal or settlements and the remaining were either adjudicated, satisfied or dismissed by the court. In 2007, the Attorney General of New York brought an action against the Law Firms and obtained a civil judgement for the restitution of certain fees collected from debtors who paid their debts to clients represented by the Law Firms. The Law Firms and Jack Boyajian were never subject to any indictments or convictions related to any such activities. Neither the Law Firms nor Mr. Boyajian were ever indicted or convicted. The Attorney General has not imposed any restrictions or bans on Mr. Boyajian, nor has Mr. Boyajian entered into any settlement agreements or Assurances of Discontinuances with the Attorney General of the State of New York.

After Mr. Boyajian sold his law firms in 2007, the California Bar decided to seek disciplinary action relating to the past collection activity of the law firms. In 2014 the State Bar withdrew nearly all its alleged violations and entered into a stipulated settlement whereby Mr. Boyajian accepted responsibility of having authorized collection letters from the law firms to be mailed into states that he himself was not entitled to practice but where other attorneys of-counsel to the law firms were licensed to practice. The stipulation was approved by the court in March 2015 that included the discipline agreed to by the State Bar and Mr. Boyajian of actual suspension already served making Mr. Boyajian immediately eligible to apply for readmission, which he is in the process of completing. In 2009, the New Jersey Disciplinary Review Board of the Supreme Court of New Jersey imposed a reprimand on Jack Boyajian as a non-attorney, who was admitted in California, but not in New Jersey for failure to properly supervise attorneys and non-attorneys in one of the law firms mentioned above.

Hutton has no connection with the collection industry or the law firms in question. No settlement or court decision relating to these firms have had or will have any impact on Hutton or its ability to serve its clients. Neither Hutton nor any officer or employee of

Hutton, including Jack Boyajian, are at all affiliated with Sponsor, co-Sponsor Holder or any principals thereof. Hutton has no financial interest in the property, the Sponsor, co-Sponsor or any party involved in this transaction.

Hutton and/or Mr. Boyajian are neither affiliated with Sponsor, Holder of Unsold Units, principals of Sponsor, nor have any financial interest in the Property, the Sponsor, Holder of Unsold Units, and other party involved in this Conversion.

Attorneys

Moritt Hock & Hamroff LLP, 1185 Avenue of the Americas, 37th Floor, New York, New York 10036, counsel to the Sponsor, have been selected by the Sponsor to represent the Corporation in connection with the preparation of this Offering Plan for conversion of the Cooperative to a Condominium.

Moritt Hock & Hamroff LLP will also represent the Sponsor in connection with the Unit closings as described in Section XII of the Offering Plan.

Moritt Hock & Hamroff LLP does not have any financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium.

Selling Agent

Sponsor/Co-Sponsor will act as the Selling Agent for this Condominium. The principals of Sponsor/Co-Sponsor are familiar with the sales of real estate.

Managing Agent

Auric Real Estate Management LLC ("Auric"), 97-07 63rd Road, Mgmt Office Rego Park, NY 11374, serves as Managing Agent of the Condominium. Auric has no affiliation with Sponsor, Co-Sponsors and their respective principals.

There is no prior conviction, injunctions or judgments against the Managing Agent or the principal of the Managing Agent.

Auric, established in 2008, has extensive experience in managing coops and comparable properties in Queens, New York and surrounding areas. Auric has managed the Building for the past seven (7) years as a cooperative building.

XXVI. REPORTS TO RESIDENTIAL UNIT OWNERS

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

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year;

(ii) prior notice of the annual Residential Unit Owners' meeting; and

(iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

XXVII. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at Sponsor's office for six years from the date of first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit.

XXVIII. GENERAL

Pending Litigation

Unit Owner should note that the Corporation is involved in various matters of litigation arising in the ordinary course of business. When appropriate, claims are submitted to the Corporation's insurance carrier.

In February 2017, the Board of Directors reached a settlement with one Shareholder wherein the Shareholder was permitted to sell the apartment and vacate the Unit. The Unit was sold and outstanding arrears of $29,397 were recorded as bad debt expense for the year ending December 31, 2017. In November 2017, a special meeting of shareholder was called to vote on a resolution to convert the Cooperative to a Condominium. The resolution was approved by the required majority of shareholders.

In 2016-2017 audited Financial Statements of the Corporation, there was net income in the year of 2016, but there were net losses in the year of 2017 due to the payment of bad debt expense mentioned in above settlement.

The Conversion will have no negative effect on above losses and financial obligations. However, Unit Owner should note that the insurance for the Condominium may increase in the event of litigations.

Prior Offerings

The Property is occupied and currently a Cooperative. The Offering Plan for the Cooperative File No. is C83-0412 and filed with the Department of Law and available for inspection at Sponsor's office. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Residential Units being offered for sale in the Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Residential Units, prior to acceptance of the Plan by the Department of Law.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, disability, marital status, national origin or ancestry in the sale of Residential Units under this Plan.

A Distribution Agreement may not be assigned by Shareholder without the written consent of Sponsor, which consent will not be unreasonably withheld. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

Amendment of Plan

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Unit Owners, then anyone who has theretofore executed a Distribution Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the Distribution Agreement and to obtain a refund, in full, of the down payment made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

Date of Offering Plan: February 7, 2022
New York, New York

82-04 Lefferts Tenants Corp.

Sponsor

O F F E R I N G PLAN

THE BEVERLY CONDOMINIUM

82-04 Lefferts Boulevard
Kew Gardens, New York 11415

PART I
EXHIBITS A - J

Exhibit A

AURIC
REAL ESTATE MANAGEMENT, LLC

May 26, 2020

82-04 Lefferts Tenants Corp.
Board of Directors
c/o 97-07 63rd Road
Rego Park, NY 11374

Re: Conversion Obligation

Dear Board Members:

We have examined the attached schedule of estimated amounts to be funded ("Schedule A") for the conversion of the cooperative commonly known as 82-04 Lefferts Tenants Corp. located at 82-04 Lefferts Blvd, Kew Gardens, NY 11415 ("Property") to a condominium and its eventual dissolution ("Plan of Conversion"). The funding requirements for Plan of Conversion are (1) the payoff of the underlying mortgage, (2) the conversion expenses fees due to the professional teams and (3) closing costs (collectively the "Conversion Obligations").

According to the records we reviewed, the current underlying mortgage is held by National Cooperative Bank (NCB). The conversion fees are covered by an agreement with The Hutton Group, Inc. and includes all legal fees that will be necessary to complete the Plan of Conversion. The closing costs relate to individual selections for existing shareholders such as optional title insurance, borrowing against the unit deed that will be distributed to them or transferring ownership before or after conversion.

Under existing circumstances, we believe the estimates reflected in Schedule A are reasonable and adequate to fund the Conversion Obligation. However, the amounts may differ due to unexpected costs or expenses occurring before the Plan of Conversion is fully implemented. The likelihood of such changes is low since the mortgage principal payoff is already scheduled and the total amount projected to satisfy the NCB mortgage includes a more than adequate amount for any prepayment penalty that may apply. Moreover, the agreement for the conversion fees is a fixed amount for all units and includes all professional fees including architects, engineers and legal fees. Closing costs may differ from the amounts estimated since they are completely optional for shareholders and therefore the total sum of closing costs will be completely dependent on the choices that each shareholder makes at closing.

We have managed the Property for the past nine (9) years as a cooperative building and therefore have a significant understanding of the NCB mortgage requirements and the contractual relationship with vendors and professionals supplying products and services to the cooperative. I have been in the real estate management industry since 1992 and am a licensed Real Estate Broker. Auric Real Estate Management LLC has been in business since 2008 and currently has approximately 1,600 residential units and 50 commercial units under management. Auric has a mixture of cooperatives, condominiums and rental buildings. The commercial units are a mix of store fronts and professional spaces. We have managed the bulk of our clients for nine or more years.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We

AURIC
REAL ESTATE MANAGEMENT, LLC

have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders except currently serving as the managing agent for the cooperative building.

Yours truly,

Auric Real Estate Management LLC,

Dominic V. Martorana,
President

Exhibit B

CERTIFIED RESOLUTION OF

82-04 Lefferts Tenants Corp.

SHAREHOLDER APPROVAL OF ADDITIONAL AUTHORIZED SHARES AND SALE OF RETAIL SPACES AND UNIT 4A

I Chandra Jain, President of 82-04 Lefferts Tenants Corp., a New York Corporation, ("the Corporation") do hereby certify that the following Resolution was offered to be adopted by the Members of the Corporation in a vote that was duly called and held on November 7, 2019, at which a quorum was present and acting throughout, was adopted by Members representing 97.59% of the shares issued and outstanding as of that date **25,257** approving out of **25,881** shares outstanding) and that said Resolution has not been rescinded, mended or modified:

RESOLVED, that 82-04 Lefferts Tenants Corp.(the "Corporation") be authorized to proceed with the proposed purchase and sale agreement whereby the commercial units in the building and residential Unit No. 4A will be sold to the holder of unsold shares or a related entity at a price of $1,600,000 which will provide sufficient proceeds for the Corporation to pay off the underlying mortgage and fund a potential conversion to condominium and/or future capital replacement; and

FURTHER RESOLVED, that the Corporation file an amendment to the Certificate of Incorporation whereby the Fourth Article of the current Certificate of Incorporation shall be amended so as to be replaced in its entirety by the following:

"The aggregate number of shares which the Corporation shall have the authority to issue is thirty-five thousand (35,000) shares of the par value of One Dollar ($1.00) each, which are to be of the same class, and are hereby designated as common stock."

FURTHER RESOLVED, that the new share allocation for all commercial retail units, residential units and parking spaces shall be in accordance with the attached Schedule A.

IN WITNESS WHEREOF, I have here unto signed my name as Secretary and affixed the seal of this Corporation on this 15th day of November, 2019.

82-04 Lefferts Tenants Corp.

By: Chandra Jain, President

SCHEDULE A

82-04 LEFFERTS TENANTS CORP.
NEW SHARE ALLOCATION

Unit	New Shares Allocated	Total Updated Shares	Square Feet
Comm A	1,139	1,139	1217
Comm B	1,159	1,159	1240
Comm C	1,538	1,538	1642
Comm D	1,031	1,031	1100
2A		640	781
2B		474	503
2C		735	1096
2D		695	849
2E		633	830
2F		610	745
2G		595	806
2H		687	847
3A		648	781
3B		463	503
3C		743	1096
3D		700	849
3E		640	830
3F		617	745
3G		602	806
3H		694	847
4A	654	654	781
4B		487	503
4C		749	1096
4D		710	849
4E		647	830
4F		624	745
4G		609	806
4H		701	847

Unit	New Shares Allocated	Total Updated Shares	Square Feet
5A		660	781
5B		494	503
5C		756	1096
5D		715	849
5E		654	830
5F		630	745
5G		616	806
5H		707	847
6A		668	781
6B		500	503
6C		762	1096
6D		722	849
6E		660	830
6F		637	745
6G		633	806
6H		714	847
Gar1		50	
Gar2		50	
Gar3		50	
Gar4		50	
Gar5		50	
Gar6		50	
Gar7		50	
Gar8		50	
Gar9		50	
Gar10		50	
Gar11		50	
Gar12		50	
Gar13		50	
Total	**5,521**	**31,402**	

SCHWARTZ SLADKUS REICH GREENBERG ATLAS LLP

Mark C. Silverstein - Direct: 212-743-7080 - msilverstein@ssrga.com

June 12, 2020

82-04 Lefferts Tenants Corp.
c/o 97-07 63rd Road Mgmt
Office Rego Park, Ny 11374

8336 Realty, LLC
MDCM, LLC
83-36 Beverly Road, Apt. #2C
Kew Gardens, NY 11415

Re: The Beverly Condominium (the "Condominium")
Premises: 82-04 Lefferts Boulevard, Kew Gardens, New York 11415

Ladies and Gentlemen:

82-04 Lefferts Tenants Corp. (the "**Cooperative**"), 8336 Realty, LLC ("**8336 Realty**") and MDCM, LLC ("**MDCM**" and, collectively with the Cooperative and 8336 Realty, "**you**" or "**Sponsor**"), the co-sponsors of the Condominium Offering Plan (the "**Plan**") for the above referenced Condominium and Premises, have requested our opinion concerning whether shareholders of the Cooperative (the "**Shareholders**") are entitled to statutory appraisal rights in accordance with Section 1005 of the Business Corporation Law of the State of New York as presently in effect ("**BCL 1005**") in the circumstances described in this opinion. Capitalized terms used without definition in this opinion that are defined in the Plan have the meanings provided in the Plan.

This opinion does not address any matters other than statutory appraisal rights as discussed herein. Without limiting the generality of the foregoing, this opinion does not address the tax consequences of the liquidation and dissolution of the Condominium or the distribution of Units of the Condominium to Shareholders in satisfaction of their rights as shareholders of the Cooperative.

BACKGROUND

Factual Matters and Assumptions

The Cooperative owns the Premises, constituting a residential building with forty (40) Residential Units, four (4) Commercial Units, and thirteen (13) Garage Parking Units. The Cooperative is operated as a cooperative housing corporation pursuant to Section 216 of the Internal Revenue Code of 1986. Each Shareholder of the Cooperative owns shares of common stock of the Cooperative and an appurtenant Proprietary Lease that permits the Shareholder to occupy a Residential Unit. Pursuant to the Plan, the Cooperative will liquidate and dissolve and each Shareholder, as a liquidating distribution in satisfaction of the Shareholder's rights as a shareholder of the Cooperative, will receive legal title in fee simple to the Residential Unit appurtenant to the Shareholder's Proprietary Lease (the "**Liquidating Distributions**").

BCL 1005

BCL 1005 reads in its entirety as follows:

> 1005. Procedure after dissolution.
>
> (a) After dissolution:
>
> (1) The corporation shall carry on no business except for the purpose of winding up its affairs.
>
> (2) The corporation shall proceed to wind up its affairs, with power to fulfill or discharge its contracts, collect its assets, sell its assets for cash at public or private sale, discharge or pay its liabilities, and do all other acts appropriate to liquidate its business.
>
> (3) After paying or adequately providing for the payment of its liabilities:
>
> (A) The corporation, if authorized at a meeting of shareholders by a majority of the votes of all outstanding shares entitled to vote thereon may sell its remaining assets, or any part thereof, for shares, bonds or other securities or partly for cash and partly for shares, bonds or other securities, and distribute the same among the shareholders according to their respective rights. In the case of a sale under this subparagraph where the consideration is in whole or in part other than cash, any shareholder, entitled to vote thereon, who does not vote for or consent in writing to such sale, shall, subject to and by complying with the provisions of section 623 (Procedure to enforce shareholder's right to receive payment for shares), have the right to receive payment for his shares. Section 909 (Sale, lease, exchange or other disposition of assets) is not applicable to a sale of assets under this paragraph.
>
> (B) The corporation, whether or not it has made a sale under subparagraph (A), may distribute any remaining assets, in cash or in kind or partly each, among its shareholders according to their respective rights.

> (b) When there are no shareholders, upon dissolution all subscriptions for shares shall be cancelled and all obligations of the corporation to issue shares or of the subscribers to pay their subscriptions shall terminate, except for such payments as may be required to enable the corporation to pay its liabilities.
>
> (c) Upon the winding up of the affairs of the corporation, any assets distributable to a creditor or shareholder who is unknown or cannot be found, or who is under disability and for whom there is no legal representative, shall be paid to the state comptroller as abandoned property within six months from the date fixed for the payment of the final liquidating distribution, and be subject to the provisions of the abandoned property law.

QUESTION PRESENTED

In connection with the Liquidating Distributions, the question you have asked us to consider is whether BCL 1005(a)(3)(A) requires that Sponsor "comply[] with the provisions of section 623" and afford a Shareholder "who does not vote for or consent in writing to [the Liquidating Distributions] the right to receive payment for his shares"?

CONCLUSION

For the reasons set forth in the discussion below, it is our opinion that BCL 1005(a)(3)(A) does not require Sponsor to afford Shareholders a right to receive payment for their shares (commonly referred to as "statutory appraisal rights") as a condition to the Liquidating Distributions.

DISCUSSION

The language of BCL 1005(a)(3), especially when subparagraph (A) is read in comparison to subparagraph (B), is very clear as to when statutory appraisal rights apply to in kind distributions. If the dissolving corporation sells its assets for other than cash with the intent of distributing the assets received, then shareholders are entitled to statutory appraisal rights. Where, as here, the dissolving corporation intends to distribute its own assets without engaging in a sale, then shareholders are not entitled to statutory appraisal rights.

The first sentence of subparagraph (A) concerns explicitly the sale of remaining assets, in whole or in part, for shares, bonds or other securities. The second sentence, which is the requirement to provide statutory appraisal rights, starts with a conditional phrase – "In the case of a sale under this subparagraph ...."

Compare those provisions with the beginning language of subparagraph (B) – "The corporation, whether or not it has made a sale under subparagraph (A), may distribute ...." Subparagraph (B) permits the corporation to distribute any remaining assets *whether or not* there has been a sale, while subparagraph (A) requires statutory appraisal rights only when there has been a sale.

This distinction was recognized by the Appellate Division, Second Department in *Midland Container Corp. v. Sophia Realty Corp.*, 65 A.D.2d 784, 785, 410 N.Y.S.2d 638, 639 (App. Div. 1978). In *Midland*, Sophia Realty Corp., a corporation with two shareholders owned a parcel of real property. The shareholders engaged in a nonjudicial dissolution in which the property was conveyed to a partnership owned by the shareholders in the same proportion as they owned the corporation. The corporation's lease with the tenant of the premises included a right of first refusal in favor of the tenant if the corporation sold the property. The Appellate Division found that the first refusal was not invoked because the transaction was a liquidating distribution and not a sale. In reaching this conclusion, the court relied on the language of BCL 1005:

> Section 1005 of the Business Corporation Law allows a corporation in the process of a nonjudicial dissolution two separate courses of action with respect to the disposition of corporate assets after payment of corporate liabilities: (1) the corporation "may sell its remaining assets" to third parties and distribute the consideration to the shareholders in return for the surrender of outstanding shares of stock [or] (2) the corporation, "whether or not it has made a sale under subparagraph (A), may distribute any remaining assets, in cash or in kind or partly each, among its shareholders" for surrender of the stock. *The foregoing language unequivocally evinces an intent that the outright distribution of remaining corporate assets to the shareholders themselves is not legally synonymous with a "sale" of those same assets to third parties.* (Emphasis added; citations omitted.)

****

We express no views as to any matters other than those explicitly discussed in this opinion, including as to the tax status or tax consequences of the Plan. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the New York State Attorney General or any court. This opinion is not a guaranty. No assurances can be given that the laws upon which we base this opinion will not change. In no event will the Sponsor, Schwartz Sladkus Reich Greenberg Atlas LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in

SCHWARTZ
SLADKUS
REICH
GREENBERG
ATLAS LLP

issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or rulings on which we have relied.

This opinion was written to support the promotion or marketing of the transactions or matters addressed in this opinion. Each Shareholder should seek advice based on his or her particular circumstances from independent legal and tax advisors.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

SCHWARTZ SLADKUS REICH
GREENBERG ATLAS LLP

By: Mark Silverstein

Mark Silverstein, a Partner

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SCHWARTZ
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REICH
GREENBERG
ATLAS LLP

Cesarano & Khan, PC
Certified Public Accountants

June 15, 2020

82-04 Lefferts Tenants Corp.
Board of Directors
82-04 Lefferts Boulevard
Kew Gardens, NY 11415

Re: Potential Corporate and Personal Tax Relating to Distribution and Dissolution of Cooperative

Dear Board Members:

We, Cesarano & Khan, CPAs, PC ("C&K") have been asked to comment on the potential federal tax treatment of the proposed conversion of the cooperative corporation known as 82-04 Lefferts Tenants Corp. ("Co-op") from a cooperative to a condominium form of ownership. We understand that the conversion is planned as a dissolution of the Co-op Corporation with the distribution of the real property of the corporation to be distributed to its shareholders.

Income Tax Liability for the Co-op Corporation. Internal Revenue Code (IRC) §216(e), deals with "Distributions by cooperative housing corporations" and provides:

"Except as provided in regulations no gain or loss shall be recognized on the distribution by a cooperative housing corporation of a dwelling unit to a stockholder in such corporation if such distribution is in exchange for the stockholder's stock in such corporation and such dwelling unit is used as his principal residence (within the meaning of section 121)."

It appears that no gain is recognized by the Co-op on distributions of a "dwelling unit" to a shareholder if the distribution is in exchange for the shareholder's stock in the co-op and the distributed "dwelling unit" is used as the (former) shareholder's principle residence.

Income Tax Liability for Co-op Shareholders. The exchange of co-op shares for a condominium apartment may be a taxable event. However, under Internal Revenue Code (IRC) §121, $250,000 (or $500,000 for married taxpayers filing jointly) can be excluded from any resulting gain by qualifying shareholders. If a shareholder has been holding the co-op shares for investment or use in a trade or business, the exchange may be treated as a tax-deferred exchange under IRC §1031 (provided that the IRS continues to treat co-op shares as interests in real property).

In determining tax liability, if any, for either the Co-op Corporation or the shareholders, any gain will depend on the value of the asset that is distributed to the shareholder and the tax basis of that asset for the Co-op. Moreover, any net operating loss carryforward may offset such tax liability, subject to the 80% net operating loss provision and other provisions included in the "Tax Cuts and Jobs Act" and as further modified by the "CARES Act" and potentially the "Heroes Act". Since the tax basis, valuation of the asset distributed and the tax status for each unit and each shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile. Therefore, all shareholders should be encouraged to consult with their own tax advisor or professional as to the potential tax impact of the proposed conversion of their ownership in the Co-op to a condominium.

C&K has been active in providing accounting services to cooperatives and condominiums in New York State for the past 25 years.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Thank you.

Sincerely,

Cesarano & Khan, CPAs, PC

Cesarano & Khan, CPAs, PC

Exhibit E



Cesarano & Khan, PC
Certified Public Accountants

November 4, 2020

82-04 Lefferts Tenants Corp.
Board of Directors
82-04 Lefferts Boulevard
Kew Gardens, NY 11415

Re: Potential Calculation Methods for Corporate and Personal Tax relating to the Distribution of Cooperative Assets

Dear Board Members:

As you know, we provided a letter dated June 15, 2020 where we commented on the potential tax treatment of the proposed conversion of the cooperative corporation known as 82-04 Lefferts Tenants Corp. ("Co-op") from a cooperative to a condominium form of ownership. We have now been asked to provide some guidance as to the possible calculation of such potential federal tax under certain assumptions.

There are potentially two (2) levels of income tax liability, one for the corporation ("Corporate Tax") and one for the individual shareholders ("Individual Tax"). Both the Corporate Tax and the Individual Tax requires that the fair market value ("FMV") of the asset being distributed to the shareholder by the Corporation be determined in some objective manner.

In this case, the asset will be the lease-encumbered unit deed to the apartment that the co-op shareholder has the proprietary leasehold interest in and the FMV will to be determined through an independent appraisal of the unit deed subject to and encumbered by the proprietary lease . The resulting FMV would then be used to compare to the tax basis for both the Corporation and the individual shareholder to determine if there was a gain or loss.

If there is a gain for the Corporation, it would be reduced by the proportionate share of the units that are occupied by the respective shareholder as their principal residence in accordance with Internal Revenue Code (IRC) Section 216 (e). Thereafter, any net operating loss carryforwards could further reduce the net gain before the federal capital gain tax percentage is applied to determine the potential projected Corporate Tax resulting from the conversion.

The following are examples of projected Corporate Tax calculations with two different FMV assumptions:

199 Jericho Turnpike, Suite 400, Floral Park, NY 11001 • Telephone: (516) 437-8200 • Facsimile: (516) 437-8325

CORPORATE TAXES (For informational purposes only)		
	FMV Scenario 1	FMV Scenario 2
Residential Units		
Fair Market Value (FMV) of an Average Encumbered Residential Unit	30,000	100,000
Number of Residential Units	40	40
Aggregate Residential Value	1,200,000	4,000,000
Tax Basis of Land & Improv per Book	1,173,670	1,173,670
% Applied to Residential Units	85%	85%
Tax Basis of Residential Units	997,620	997,620
Gross Potential Gain Before Excluding % of Shares Using as Principal Residence	202,381	3,002,381
Number of Units - Shareholder NOT Using as Principal Residence	32	32
% of Gross Gain Not Sheltered Per IRC Section 216€	80%	80%
Net Potential Gain Before NOL	161,904	2,401,904
Total NOL Carryforward (2019 Return)	871,268	871,268
% Applied to Residential Units	85%	85%
NOL Carryforward Applied to Residential Units	740,578	740,578
Net Gain (Loss) for Residential Units	(578,673)	1,661,327
Commercial Units		
Fair Market Value (FMV) of an Average Encumbered Commercial Unit	40,000	125,000
Number of Commercial Units	4	4
Aggregate Commercial Value	160,000	500,000
Tax Basis of Land & Improv per Book	1,173,670	1,173,670
% Applied to Commercial Units	15%	15%
Tax Basis of Commercial Units	176,051	176,051
Gross Potential Gain Before Excluding % of Principal Residence	(16,051)	323,950
Number of Units - Shareholder NOT Using as Principal Residence	4	4
% of Gross Gain Not Sheltered Per IRC Section 216(e)	100%	100%
Net Potential Gain Before NOL	(16,051)	323,950
Total NOL Carryforward (2019 Return)	871,268	871,268
% Applied to Commercial Units	15%	15%
NOL Carryforward Applied to Commercial Units	130,690	130,690
Net Gain (Loss) for Commercial Units	(146,741)	193,259
Total Projected Corporate Tax		
Total Gain (Loss) Res & Comm Units	(725,414)	1,854,586
Capital Tax Rate (Federal & NY State)	29%	29%
Net Projected Potential Corporate Tax	**None**	**$ 537,830**

The following are examples of projected Individual Tax calculations with two different FMV assumptions and assumptions as to the individual shareholder's tax basis and their use as either a principal residence or an investment:

INDIVIDUAL TAXES (For informational purposes only)		
	FMV Scenario 1	**FMV Scenario 2**
Unit Used as Principal Residence		
Fair Market Value (FMV) of an Average Encumbered Residential Unit	30,000	100,000
Tax Basis as a Co-op Purchase	75,000	75,000
Net Gain (Loss) for Residential Units	(45,000)	25,000
Exclusion of Gain ($250k- Single, $500K Married)	(250,000)	(250,000)
Net Gain subject to Individual Tax	None	None
Capital Tax Rate (Federal & NY State)	24%	24%
Net Projected Potential Individual Tax	**None**	**None**
Residential Unit Used as Investment		
Fair Market Value (FMV) of an Average Encumbered Residential Unit	30,000	100,000
Tax Basis as a Co-op Net of Depreciation	60,000	60,000
Net Gain (Loss) for Residential Units	(30,000)	40,000
Use Section 1031 Exchange to Avoid Gain/Loss and Retain Tax Basis	60,000	60,000
Net Projected Potential Individual Tax	**None**	**None**
Commercial Unit Used as Investment		
Fair Market Value (FMV) of an Average Encumbered Commercial Unit	40,000	125,000
Tax Basis as a Co-op Net of Depreciation	300,000	300,000
Net Gain (Loss) for Residential Units	(260,000)	(175,000)
Use Section 1031 Exchange to Avoid Gain/Loss and Retain Tax Basis	300,000	300,000
Net Projected Potential Individual Tax	**None**	**None**

The foregoing projected potential Individual Tax calculations are for general informational purposes only. Since the tax basis, valuation of the asset distributed and the tax status for each unit and each shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder is simply for demonstration purposes. Therefore, all shareholders should be encouraged to consult with their own qualified tax advisor or professional as to the potential tax impact of the proposed conversion of their ownership in the Co-op to a condominium.

Cesarano & Khan has been active in providing accounting services to cooperatives and condominiums in New York State for the past 25 years.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Thank you.

Sincerely,

Cesarano & Khan, CPAs, PC

Cesarano & Khan, CPAs, PC

Exhibit "F"

PROMISSORY NOTE

STATE OF NEW YORK)
SS.:
COUNTY OF QUEENS)

February 27, 2020

$800,000.00

FOR VALUE RECEIVED, **82-04 LEFFERTS TENANTS CORP., C/O Auric Real Estate Management** having an address at 97-07 63rd Road, Basement Fl, Rego Park, NY 11374 ("Maker"), hereby covenants and promises to pay to **HARVEY BOOKMAN,** having an address at 1053 East 4th Street, Brooklyn, NY 11230 ("Payee"), or order, at Payee's address first above written or at such other address as Payee may designate in writing, Eight Hundred Thousand Dollars ($800,000.00), lawful money of the United States of America, together with interest thereon computed from the date hereof at the rate of four and one half percent (4.5%) per annum, interest shall be payable in equal monthly installments of Three Thousand Dollars ($3,000.00) for six (6) months commencing on the 27th day of March, 2020 and continuing on the 27th day of each month thereafter, to be applied against accrued interest only at the aforesaid rate, until the 27th day of August, 2020 on which date Balloon Payment in the amount of Eight Hundred Thousand Dollars ($800,000.00) and accrued interest shall be due and payable. Said funds will be wired to the Payee.

Maker covenants and agrees with Payee as follows:

1. Maker will pay the indebtedness evidenced by this Note as provided herein. The Maker will file a first lien in favor of the Payee within two weeks of receipt of funds and provide a copy of lien document to Payee within one month of receipt of funds.

2. Maker shall have the option to request a three (3) months extension if needed.

3. The Maker shall issue a 1099-INT form to Payee by January 31, 2021.

4. Interest payments shall be made on the 27th of each month with 10 days grace period. If the payment is not received by the 7th of the following month a 2% late fee shall apply. This paragraph shall not be deemed to extend or otherwise modify or amend the date when such payments are due hereunder. The obligations of Maker under this Note are subject to the limitation that payments of interest shall not be required to the extent that the charging of or the receipt of any such payment by the holder of this Note would be contrary to the provisions of law applicable to the holder of this Note limiting the maximum rate of interest which may be charged or collected by the holder of this Note.

5. The Holder of this Note may declare the entire unpaid amount of principal and interest under this Note to be immediately due and payable if Maker defaults in the due and punctual payment of any installment of principal or interest hereunder.

6. Maker, and all guarantors, endorsers and sureties of this Note, hereby presentment for payment, demand, protest, notice of protest, notice of nonpayment, notice of intention to acceleration of maturity, and notice of dishonor of this Note. Maker and all guarantors, endorsers and sureties consent that Payee at any time may extend the time of payment of all or any part of the indebtedness secured hereby, or may grant any other indulgences.

7. Any notice or demand required or permitted to be made or given hereunder shall be deemed sufficiently made and given if given by personal service or by Federal Express courier or by the mailing of such notice or demand by certified or registered mail, return receipt requested, with postage prepaid, addressed, if to Maker, at Maker's address first above written, or if to Payee, at Payee's address first above written. Either party may change its address by like notice to the other party.

8. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of any change, modification, termination, waiver, or discharge is sought. This Note shall be construed and enforced in accordance with the laws of New York.

IN WITNESS WHEREOF, Maker has executed this Note on the date First above written.

82-04 Lefferts Tenants Corp.

By: CHANDRA JAIN

STATE OF NEW YORK)
COUNTY OF Queens)SS.:

On the 22nd day of February, 2020, before me, the undersigned notary public, personally appeared Chandra Jain, 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 executed the same in his/her 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

KATINA NITTIS
No. 01NI6008397
Notary Public, State of New York
Qualified in Queens County
My Commission Expires June 8, 2022

LOAN EXTENSION AGREEMENT

This loan extension agreement dated this 15th day of August, 2020 is between **82-04 LEFFERTS TENANTS CORP., C/O Auric Real Estate Management** having an address at 97-07 63rd Road, Basement Fl, Rego Park, NY 11374 (hereinafter known as the "Maker"), and **HARVEY BOOKMAN,** having an address at 1053 East 4th Street, Brooklyn, NY 11230, (hereinafter known as the "Lender.")

Whereas the Maker is indebted to the Lender for Eight Hundred Thousand Dollars ($800,000.00) and accrued interest as per the Promissary Note dated February 27,2020, the Parties wish to amend certain terms effecting the Loan.

It is hereby agreed:

1. The Balloon Payment in the amount of Eight Hundred Thousand Dollars ($800,000.00) and accrued interest shall extended and shall be due and payable on November 27, 2020.

2. All other terms of the Loan shall remain in full force.

IN WITNESS WHEREOF, Lender and Maker have executed this Note on the date First above written.

HARVEY BOOKMAN

MAURICE PERESS

LOAN EXTENSION AGREEMENT

This loan extension agreement dated this 7th day of November, 2020 is between **82-04 LEFFERTS TENANTS CORP., C/O Auric Real Estate Management** having an address at 97-07 63rd Road, Basement Fl, Rego Park, NY 11374 (hereinafter known as the "Maker"), and **HARVEY BOOKMAN,** having an address at 1053 East 4th Street, Brooklyn, NY 11230, (hereinafter known as the "Lender.")

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It is hereby agreed:

1. The Balloon Payment in the amount of Eight Hundred Thousand Dollars ($800,000.00) and accrued interest shall extended and shall be due and payable on February 27, 2021.

2. The Maker shall issue a 1099-INT form to Payee by January 31, 2022.

3. All other terms of the Loan shall remain in full force.

IN WITNESS WHEREOF, Lender and Maker have executed this Note on the date First above written.

HARVEY BOOKMAN

MAURICE PERESS

PROMISSORY NOTE

STATE OF NEW YORK)
SS.:
COUNTY OF QUEENS)

February 27, 2020

$300,000.00

FOR VALUE RECEIVED, **82-04 LEFFERTS TENANTS CORP., C/O Auric Real Estate Management** having an address at 97-07 63rd Road, Basement Fl, Rego Park, NY 11374 ("Maker"), hereby covenants and promises to pay to **HEIDI BOOKMAN,** having an address at 1053 East 4th Street, Brooklyn, NY 11230 ("Payee"), or order, at Payee's address first above written or at such other address as Payee may designate in writing, Three Hundred Thousand Dollars ($300,000.00), lawful money of the United States of America, together with interest thereon computed from the date hereof at the rate of four and one half percent (4.5%) per annum, interest shall be payable in equal monthly installments of One Thousand One Hundred Twenty Five Dollars ($1,125.00) for six (6) months commencing on the 27th day of March, 2020 and continuing on the 27th day of each month thereafter, to be applied against accrued interest only at the aforesaid rate, until the 27th day of August, 2020 on which date Balloon Payment in the amount of Three Hundred Thousand Dollars ($300,000.00) and accrued interest shall be due and payable. Said funds will be wired to the Payee.

Maker covenants and agrees with Payee as follows:

1. Maker will pay the indebtedness evidenced by this Note as provided herein. The Maker will file a lien in favor of the Payee within two weeks of receipt of funds and provide a copy of lien document to Payee within one month of receipt of funds.

2. Maker shall have the option to request a three (3) months extension if needed.

3. The Maker shall issue a 1099-INT form to Payee by January 31, 2021.

4. Interest payments shall be made on the 27th of each month with 10 days grace period. If the payment is not received by the 7th of the following month a 2% late fee shall apply. This paragraph shall not be deemed to extend or otherwise modify or amend the date when such payments are due hereunder. The obligations of Maker under this Note are subject to the limitation that payments of interest shall not be required to the extent that the charging of or the receipt of any such payment by the holder of this Note would be contrary to the provisions of law applicable to the holder of this Note limiting the maximum rate of interest which may be charged or collected by the holder of this Note.

5. The Holder of this Note may declare the entire unpaid amount of principal and interest under this Note to be immediately due and payable if Maker defaults in the due and punctual payment of any installment of principal or interest hereunder.

6. Maker, and all guarantors, endorsers and sureties of this Note, hereby presentment for payment, demand, protest, notice of protest, notice of nonpayment, notice of intention to acceleration of maturity, and notice of dishonor of this Note. Maker and all guarantors, endorsers and sureties consent that Payee at any time may extend the time of payment of all or any part of the indebtedness secured hereby, or may grant any other indulgences.

7. Any notice or demand required or permitted to be made or given hereunder shall be deemed sufficiently made and given if given by personal service or by Federal Express courier or by the mailing of such notice or demand by certified or registered mail, return receipt requested, with postage prepaid, addressed, if to Maker, at Maker's address first above written, or if to Payee, at Payee's address first above written. Either party may change its address by like notice to the other party.

8. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of any change, modification, termination, waiver, or discharge is sought. This Note shall be construed and enforced in accordance with the laws of New York.

IN WITNESS WHEREOF, Maker has executed this Note on the date First above written.

82-04 Lefferts Tenants Corp.

By: CHANDRA JAIN

STATE OF NEW YORK)
)SS.:
COUNTY OF Queens)

On the 22nd day of February, 2020, before me, the undersigned notary public, personally appeared Chandra Jain, 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 executed the same in his/her 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

KATINA NITTIS
No. 01NI6008397
Notary Public, State of New York
Qualified in Queens County
My Commission Expires June 8, 2022

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HEIDI BOOKMAN

MAURICE PERESS

LOAN EXTENSION AGREEMENT

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IN WITNESS WHEREOF, Lender and Maker have executed this Note on the date First above written.

HEIDI BOOKMAN

MAURICE PERESS

EXHIBIT "G"

National Cooperative Bank

250 Park Avenue
Suite 900
New York, New York 10177
Tel (212) 808-0880
Fax (212) 808-4396

September 24, 2020

To: Drew De Risi

From: Harley Seligman

Re: 82-04 Lefferts Blvd – $1,100,000 First Mortgage Line of Credit

Pursuant to your request, I'd like to describe NCB's lending proposal for your co-op. To finance a $1,100,000 first mortgage line of credit, NCB offers the following;

Non Revolving - Line of Credit

Loan Term:	5 years
Rate:	Floating interest rate at the NCB Prime Bank Rate (3.25% today) plus a spread of 0.50% with a 4.50% floor. Today's rate would be 4.50%
Amortization:	interest only plus a minimum of $250 of principal per month
Payments:	$4,432 based on today's rate
Immediate Drawdown:	Entire loan amount shall be drawn down at closing
Prepayment:	Allowed anytime without penalty in whole or in part
Fees –	
Application:	$8,000 - for appraisal, asbestos, environmental and engineering reports. – due at application
Commitment:	1.50% of loan amount – paid at closing
NCB Legal:	$7,500 plus disbursements and litigation search plus
Legal Deposit:	2% of loan amount – due at commitment acceptance – **refundable at closing**

These terms and conditions are subject to NCB's credit approval process. Enclosed for your use is the loan application. Formal processing begins upon receipt of the completed application, application fee and the documentation.

If you are interested in working with us on a proposal, please submit the following:

1. NCB Application
2. application fee
3. cover page and schedule A from offering plan
4. 2017, 2018, and 2019 financial statements and 2020 year-to-date income and expense
5. 2020 budget and 2021 budget if available
6. current maintenance roll showing all shareholders – unit number, shareholder, monthly maintenance
7. list of arrears
8*. identify units having unsold share status and provide **maintenance vs. rents** for each
9. identify number of sublets. Also provide copy of sublet policy
10. resales for the past 2 years – unit, date, price
11. list capital improvements – last 5 years
12. list anticipated capital improvements
13. statement of current cash reserves
14. name, address and telephone number of co-op's attorney
15. copies of commercial and operating leases
16. current payables
17. building insurance contact information
18. managing agent information: a. year company formed b. number of buildings managed c. number of units d. number of employees

* Regarding unsold units:

a) identify sponsor (entity and principals)
b) is sponsor current on their financial obligations to the co-op
c) are the shares encumbered. If yes, provide details

If you have any questions, please do not hesitate to call me.
I look forward to working with you to help the co-op meet its financing needs.

Sincerely,

Harley Seligman
Senior Vice President

AURIC
REAL ESTATE MANAGEMENT, LLC

MANAGEMENT ADDITIONAL DISCLOSURE REGARDING

THE ATTACHED FINANCIAL REPORT FOR YEAR ENDING 2019

The following disclosure should be read alongside the Auditor's Report, Financial Statements and the Notes for the 2019 calendar year for:

82-04 LEFFERTS TENANTS CORP.

One of the requirements for the conversion of the Property from a cooperative to a condominium is that an offering plan for such conversion must be accepted for filing by the Office of the NYS Attorney General. As of the date of Auditor's report, and financial statements, that being May 1, 2020, an offering plan has been submitted to the Office of the NYS Attorney General. The plan is still pending review and has not as yet been accepted for filing.

82-04 LEFFERTS TENANTS CORP.

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MICHAEL A. ROZYCKI, CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANT

629 FIFTH AVENUE, SUITE 109
PELHAM, NY 10803
Phone 914.654.0663
Fax 914.654.0936

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

Report on the Financial Statements

I have audited the accompanying financial statements of 82-04 LEFFERTS TENANTS CORP., which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 82-04 LEFFERTS TENANTS CORP as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

The Corporation has not presented supplementary information about future major repairs and replacements to common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this omitted information.

Michael A Roz, CPA PLLC

Pelham, New York
May 1, 2010

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash, operating account	$ 2,610	$ 6,970
Cash, reserve accounts	96,243	95,993
Escrow for property taxes	48,845	4,430
Receivables from tenant-shareholders	2,077	1,698
Prepaid expenses:		
Unexpired insurance premiums	6,228	7,022
Prepaid real estate taxes	1,633	46,960
Service contracts	488	1,365
Total current assets	158,124	164,438
Property and equipment, at cost:		
Land	500,000	500,000
Building	2,623,100	2,623,100
Building improvements and equipment	972,292	916,485
	4,095,392	4,039,585
Less accumulated depreciation	2,921,722	2,885,622
Net property and equipment	1,173,670	1,153,963
Total assets	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 67,843	$ 58,966
Accrued mortgage interest	3,314	3,357
Maintenance revenue received in advance	1,266	1,744
Mortgage note payable, due within one year	1,037,328	13,516
Property tax abatements payable	6,926	9,450
Total current liabilities	1,116,677	87,033
Other liabilities:		
Refundable security deposits	6,700	6,700
Mortgage note payable, net of unamortized mortgage costs of $0 and $10,176 in 2019 and 2018, respectively	-	1,027,152
Total liabilities	1,123,377	1,120,885
Commitments and Contingencies - Note 6		
STOCKHOLDERS' EQUITY		
Common stock, 30,000 shares of $1.00 par value authorized, 25,881 shares issued and outstanding	25,881	25,881
Capital in excess of par value	2,561,219	2,561,219
Accumulated deficit	(2,378,683)	(2,389,584)
Total stockholders' equity	208,417	197,516
Total liabilities and stockholders' equity	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF OPERATIONS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Revenues:		
Maintenance charges	$ 339,425	$ 339,425
Rental income	145,159	164,389
Special assessments	45,292	5,176
Late fees and other income	5,466	10,586
Interest income, NCB patronage dividend	250	245
Total revenues	535,592	519,821
Expenses:		
Salaries and related costs	16,463	14,396
Electricity and gas	16,680	14,616
Heat	31,423	31,438
Water and sewer	33,967	36,204
Repairs, maintenance and supplies	46,361	71,273
Insurance	35,591	34,731
Management fee	23,766	22,852
Legal fees, tax certiorari	6,025	5,518
Professional fees	7,923	14,685
Debt servicing costs	49,428	50,854
Real estate taxes	208,148	197,278
Corporation taxes	2,443	2,280
Administrative	6,728	8,050
Telephone and communications	2,356	2,176
Other operating, permits and fees	1,289	1,103
Total expenses	488,591	507,454
Income from operations before depreciation expense	47,001	12,367
Depreciation expense	(36,100)	(33,486)
Net income (loss) for the year	$ 10,901	(21,119)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 2019 and 2018

	2019	2018
Common Stock		
Balance, beginning of year	$ 25,881	$ 25,881
Transactions during the year	-	-
Balance, end of year	$ 25,881	$ 25,881
Additional Paid-In Capital		
Balance, beginning of year	$ 2,561,219	$ 2,561,219
Transactions during the year	-	-
Balance, end of year	$ 2,561,219	$ 2,561,219
Accumulated Deficit		
Balance, beginning of year	$ (2,389,584)	$ (2,368,465)
Net income (loss) for the year	10,901	(21,119)
Balance, end of year	$ (2,378,683)	$ (2,389,584)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CASH FLOWS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Net income (loss) for the year	$ 10,901	$ (21,119)
Adjustments to reconcile net income (loss) for the year to net cash provided by operating activities:		
Depreciation and amortization	46,276	44,588
(Increase) decrease in assets:		
Escrow for property taxes	(44,415)	(2,679)
Receivables from tenant-shareholders	(379)	53
Other receivables	-	8,076
Unexpired insurance premiums	794	(179)
Prepaid real estate taxes	45,327	(1,998)
Prepaid expenses	877	1,377
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	8,834	24,367
Maintenance revenue received in advance	(478)	1,715
Property tax abatements payable	(2,524)	1,073
Refundable security deposits	-	700
Net Cash Provided By Operating Activities	65,213	55,974
Cash Flows From Investing Activities		
Additions to building improvements	(55,807)	(36,242)
Net Cash Used In Investing Activities	(55,807)	(36,242)
Cash Flows From Financing Activities		
Mortgage principal payments	(13,516)	(13,018)
Net Cash Used In Financing Activities	(13,516)	(13,018)
Net increase (decrease) in cash	(4,110)	6,714
Cash, beginning of year	102,963	96,249
Cash, end of year	$ 98,853	$ 102,963

Supplementary Cash Flow Disclosure

Cash used during the year for:		
Interest	$ 39,295	$ 39,793
Corporation franchise taxes	$ 2,248	$ 1,666

See Accompanying Notes to Financial Statements

1. Nature of Organization

82-04 LEFFERTS TENANTS CORP. is a qualified cooperative housing corporation organized under Section 216(b)(1) of the Internal Revenue Code. The cooperative was formed in July 1980 to operate and maintain the common property located at 82-04 Lefferts Boulevard, Kew Gardens, New York. The building is comprised of 40 residential apartments, 4 stores and 13 garage parking spaces.

2. Summary of Significant Accounting Policies

Basis of Presentation - The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as detailed in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Corporation has determined that it meets the definition of a Common Interest Realty Association (CIRA) for accounting purposes and therefore follows the CIRA accounting guidance in ASC 972.

Use of Estimates - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments - Financial instruments include cash and cash equivalents, accounts receivable, other assets, accounts payable and accrued expenses, mortgage notes payable, credit lines payable and other liabilities. The recorded values of cash and cash equivalents, accounts receivable and accounts payable and accrued expenses approximate their fair values based on their short-term nature. The recorded values of debt approximate their fair values as interest approximates market rates.

Cash Equivalents - For purposes of the statement of cash flows, the Corporation considers all highly liquid investments available for current use with original maturities of three months or less to be cash equivalent.

Accounts Receivable - Amounts due from tenant-shareholders are deemed fully collectible by the Corporation. It is the Corporation's policy to retain legal counsel and place liens against tenant-shareholders whose maintenance charges and assessments are in arrears after all reasonable collection methods are exhausted. Accordingly, no amount has been established as an allowance for uncollectible accounts.

Depreciation - Building and building improvements are stated at cost. The building and improvements are depreciated over their estimated useful lives using the straight-line method. Expenditures for repairs and maintenance are expensed to operations as incurred.

Revenue Recognition - Tenant-shareholders are subject to monthly maintenance charges based on an annual budget determined by the Board of Directors to provide funds for the Corporation's operating expenses and repairs and replacements to the common property. Any excess operating funds at year-end are retained by the Corporation for use in future years. Maintenance charge revenue is recognized as income in the period earned and is reported at estimated net realizable amounts. Payments received in advance are deferred until earned.

Income Taxes -The Corporation is subject to Federal income tax as a cooperative association pursuant to Subchapter T of the Internal Revenue Code. The Corporation is also subject to New York State franchise and New York City general corporation tax at prevailing tax rates and methods. The Corporation's tax filings are subject to audit by various taxing authorities for the years 2016 through 2019. In evaluating the Corporation's tax provisions and accruals, the Corporation believes that its estimates are appropriate based on current facts and circumstances.

The Corporation has incurred cumulative net operating losses for tax purposes which are available to be carried forward to future tax periods. It is not likely that the Corporation will benefit from any deferred tax benefits resulting from prior losses and accordingly no deferred tax assets have been recognized. The Corporation has available cumulative net operating losses of $720,929 expiring at various times through 2034.

The Corporation has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740 - *Accounting for Uncertainty in Income Taxes*. The Corporation will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authorities. The Corporation continually evaluates changes in the tax law and new authoritative rulings. At present, there are no uncertain tax positions recorded that would have a material impact on the financial statements.

Long Term Debt and Debt Issuance Costs - In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "Interest - Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs" (ASU 2015-03), which resulted in the reclassification of debt issuance costs from other assets ("Unamortized mortgage costs") to inclusion as a reduction of reportable long-term debt ("Mortgage note payable") on our balance sheet.

3. Mortgage Note Payable, Subsequent Event and Related Party Transaction

On December 1, 2014 the Corporation refinanced its existing mortgage note with a new first mortgage payable to National Cooperative Bank ("NCB", the "Lender") in the amount of $1,100,000. The mortgage note required constant monthly payments of $4,400 applied to interest at the rate of 3.71% with the remainder to the reduction of principal pursuant to a 40-year amortization schedule. The note was for a term of five years maturing December 1, 2019. Due to unexpected delays by the Office of the Attorney General in approving the Corporation's conversion to condominium ownership (see Note 6), the Corporation obtained a 3-month extension from NCB to February 28, 2020 to repay the mortgage note. NCB would not extend the loan further.

In February 2020, the Corporation secured funding sufficient to retire the NCB mortgage by issuing promissory notes totaling $1,100,000 to two individuals related to a member of the Corporation's Board of Directors in an arms-length transaction. The promissory notes require cumulative monthly payments of $4,125 applied to interest only at the rate of $4.50% per annum. Interest payments shall be made on the 27th of each month with 10 days grace period. If payment is not received by the 7th day of the following month, a 2% late fee shall apply. The promissory notes mature on August 27, 2020, at which time the entire unpaid principal balance, together with accrued interest thereon, becomes due and payable. The Corporation has an option to request a 3-month extension if needed.

In connection with its 2014 refinancing transaction, the Corporation incurred fees totaling $55,510 that were amortized over the five-year term of the mortgage note. Unamortized debt issuance costs (included as a reduction of long-term debt per ASU 2015-03) at December 31, 2019 and 2018 were $0 and $10,176, respectively. Amortization of debt issuance costs is reported together with interest expense in the income statement as Debt Servicing Costs. Interest expense for the years ending December 31, 2019 and 2018 was $39,252 and $39,752, respectively.

The cooperative apartment building and land at 82-04 Lefferts Boulevard, Kew Gardens Hills, New York are pledged as collateral for the mortgage and promissory notes.

4. Funding for Future Major Repairs and Replacements

The Corporation has not conducted a comprehensive study to determine the remaining useful lives of all the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The Board of Directors reviews the condition of various building systems on a periodic basis and intends to repair or replace elements of the common property as the need arises.

The Corporation's governing documents do not require the accumulation of separate funds to finance future major repairs and replacements. The Corporation has established cash reserves that it may draw on to provide funding for future capital expenditures. When additional funds are needed to meet future needs for major repairs and replacements, the Corporation has the right to increase regular maintenance, authorize special assessments, borrow, or delay non-essential major repairs and replacements until funds are available. The effect on future maintenance assessments has not been determined at this time.

5. Real Estate Tax Abatements

During June 2015, the New York State Legislature extended the real estate tax abatement program for cooperatives and condominiums in New York City, with modifications, to June 30, 2019. The modifications served to restrict abatements to apartment owners who use at least one apartment in the building as their primary residence. Abatements for apartment owners who did not meet the qualifications for primary residence were phased-out through the period ending June 2015. These owners include units that are held solely by a trust and possibly those units held by limited liability companies, corporations and partnerships. During 2019, the State Legislature extended the program through June 30, 2021.

6. Commitments and Contingencies

The Corporation is involved in various matters of litigation arising in the ordinary course of business. When appropriate, claims are submitted to the Corporation's insurance carrier. The Corporation's legal counsel believes that the Corporation has adequate insurance coverage for all pending lawsuits.

In November 2019, a special meeting of shareholders was called to vote on a resolution to convert the cooperative housing Corporation property to a condominium association. The resolution was approved by the required majority of shareholders.

7. Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through May 1, 2020, the date the financial statements were first available to be issued.

SUPPLEMENTARY INFORMATION

MICHAEL A. ROZYCKI, CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANT

629 FIFTH AVENUE, SUITE 109
PELHAM, NY 10803
Phone 914.654.0663
Fax 914.654.0936

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

I have audited the financial statements of 82-04 LEFFERTS TENANTS CORP. as of and for the years ended December 31, 2019 and 2018, and have issued a report thereon dated May 1, 2020 which contained an unmodified opinion on those financial statements. My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Capital Improvements and Repairs and Maintenance are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of the Board of Directors and management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects to the financial statements as a whole.

Pelham, New York
May 1, 2020

Michael A. Rozycki, CPA, PLLC

82-04 LEFFERTS TENANTS CORP.

SCHEDULE OF CAPITAL IMPROVEMENTS, REPAIRS AND MAINTENANCE

For the Years Ended December 31, 2019 and 2018

	2019	2018
Capital Improvements		
Replace boiler tubes	$ 13,797	$ 5,144
Rennovation of commercial space	1,104	18,900
New door and windows	13,979	-
Waterproofing project	9,700	-
Intercom system upgrade	8,476	-
new hot & cold water valves	5,003	-
Elevator door lock monitoring system compliance	3,748	-
Lintel repair	-	9,100
Cutter pump	-	3,098
Totals	$ 55,807	$ 36,242
Repairs and Maintenance		
Plumbing and heating	$ 13,302	$ 32,766
Elevator maintenance, inspection, testing and repair	6,940	10,271
Painting, plastering, carpentry, glazing	4,305	3,563
Doors, locks and windows	5,419	2,407
Supplies and materials	7,240	7,771
Exterminating	2,835	2,675
Intercom and electrical	3,452	4,909
Sprinkler maintenance	2,286	2,286
Exterior repairs	-	4,500
Equipment repairs		-
Other	582	125
Totals	$ 46,361	$ 71,273

Exhibit I

Highpoint Incentive Inc
715 Virginia Street
Far Rockaway, NY 11691

Telephone (718) 327-5779
Yehuda_moseson@hotmail.com

82-04 Lefferts Tenants Corp. Board of Directors
97-07 63rd Road
Rego Park, NY 11374

July 26, 2021

Re: The Beverly Condominium - Conversion Obligations
82-04 Lefferts Boulevard
Kew Gardens, New York, 11415

Dear Board Members:

Highpoint Incentive Inc., 715 Virginia Street, Far Rockaway, NY 11691, Tel: 718-327-5779 Email: yehuda_moseson@hotmail.com

We have examined the audited financial statements and the annual budget for the cooperative corporation known as 82-04 Lefferts Tenants Corp. ("Corporation"). We have also reviewed the publications and online information available from the Department of Finance, the agency that is directly responsible for determining tax assessments for all property classes including Class 2 which is defined as apartment rental building, cooperatives and condominiums (see exhibit A Attached). We have conducted this examination as part of our services as consultants for the conversion of the Property from a cooperative to a condominium ("Plan of Conversion").

The property has operated the property commonly known as 82-04 Lefferts Boulevard, Kew Gardens, New York ("Property") Borough: Queens Block: 3330 Lot: 33 as a cooperative since 1984 when it was converted from an apartment building. In the state of New York, apartment building, cooperative and condominiums are all assessed as income producing properties. Accordingly, if the Plan of Conversion were approved and implemented for the corporation from cooperative to condominium, the Department of Finance would not alter the aggregate tax assessment for the Property since both forms of ownership are assessed exactly the same. The only issue would then be the proportion of the assessment attributable to each unit as a condominium as compared to the effective assessment when it was a cooperative. The Department of Finance provides the following clear explanation of the way it determines the tax assessment for both forms of ownership in its publications which is attached hereto and highlighted in the relevant parts:

CO-OPS: *Your building receives a Market Value for the entire building. You can view the Market Value for your building at nyc.gov/finance.*

CONDOS: *We first determine Market Value for your entire building. Based on the unit allocation factor that your condo board has given us for your unit, we determine the Market Value for your unit. If you live in a newer building, the unit allocation factor is usually what was in the sales offering plan for your unit.*

The Department of Finance states clearly in its publication: "Class 2 properties include rental buildings, condominiums and cooperatives. All are valued as if they are income producing properties."

Therefore, under these circumstances, we expect that the Department of Finance will use the same Market Value and therefore the same tax assessment (45% of Market Value) for the building that it currently has established for it as a cooperative and apportion it to each condominium based on the percentage of common interest that is reflected Schedule A of the Offering Plan it has submitted for approval. This is exactly the process that the Department of Finance has deployed in all the other cooperative to condominium conversions that our firm has managed and consulted for in the past 15 years.

The department of Finance has determined the 2021/2022 Market Value of the Property as $4,144,000, the Assessed Value as $1,864,800 and the Taxable Value as $224,059.45 (see Exhibit B attached). Based on these valuations, which are the same for the property whether it is taxed as a cooperative or a condominium, and the 2020-2021 tax rate of 12.267% applicable to all Class 2 properties (rental properties, cooperative and condominiums), we have prepared the attached Exhibit C which lists each residential, parking and commercial condominium unit and the projected annual and monthly property taxes for 2021/2022 tax year.

We believe the estimates in Exhibit C are accurate and fairly project property taxes for the first year for the respective condominium units. However, because of the possibility of unforeseeable changes in the economy, or increase or decrease in Market valuaions and the tax rates as determined by the Department of Finance, these estimates are not actual taxes in this or any other period.

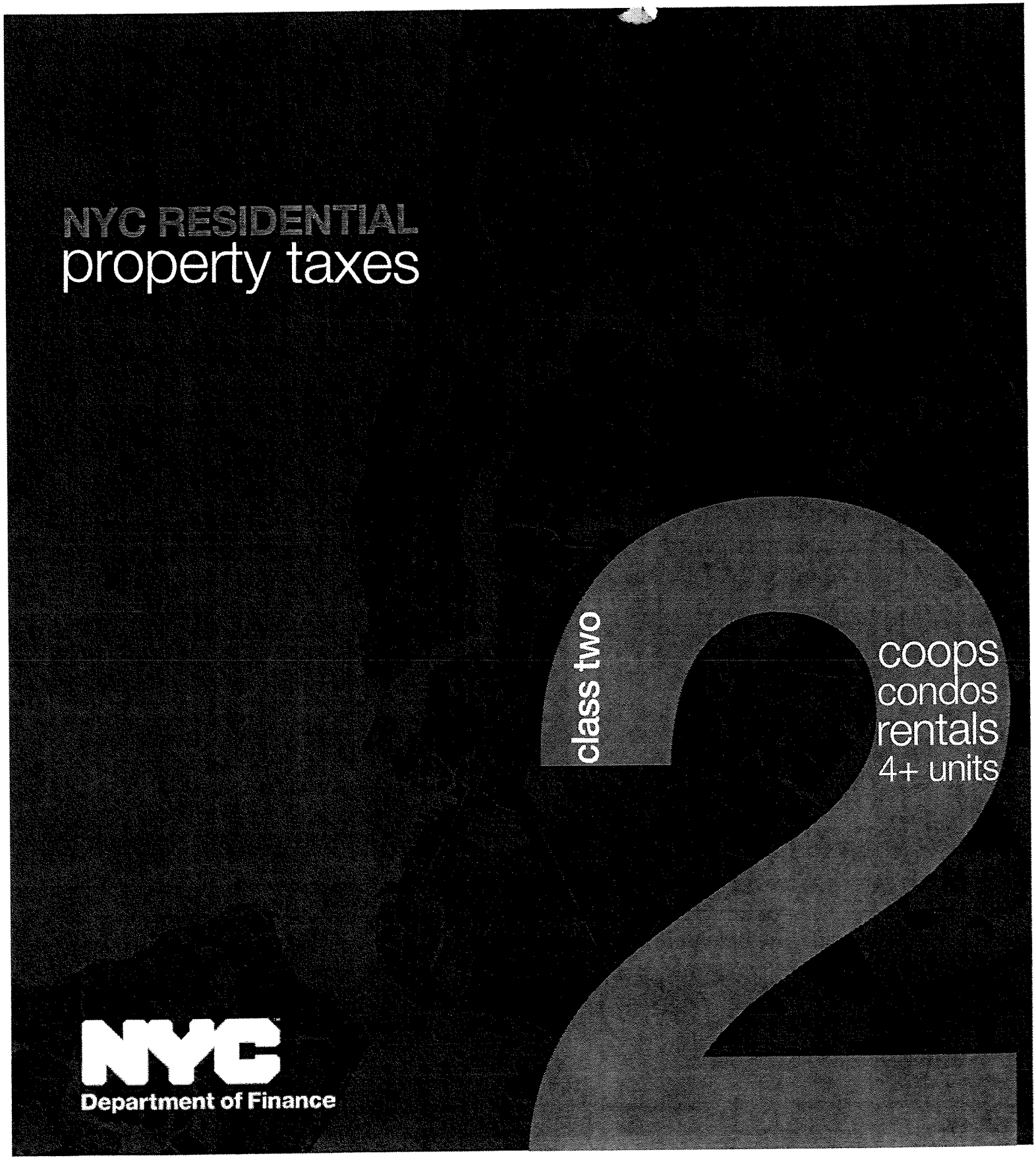
You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from your cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Sincerely,

Highpoint Incentive Inc.

Yehuda Moseson - President

NYC RESIDENTIAL property taxes

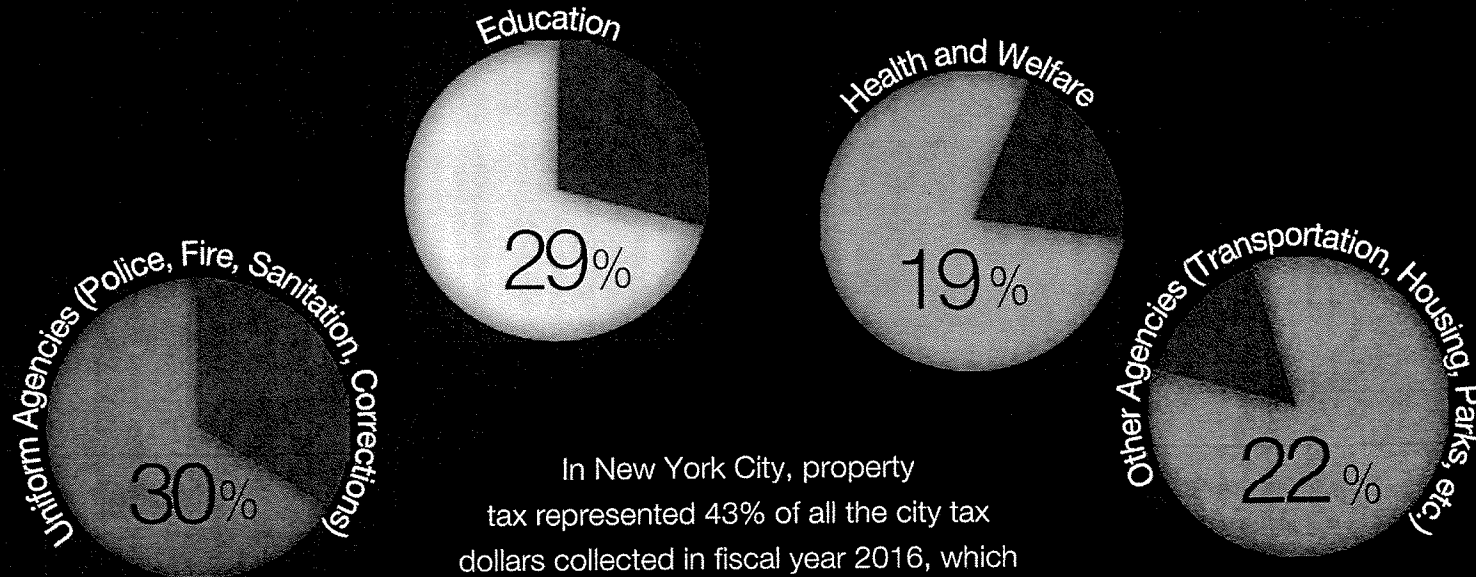


NYC
Department of Finance

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WHERE DO YOUR tax dollars go?



In New York City, property tax represented 43% of all the city tax dollars collected in fiscal year 2016, which ended on June 30, 2016. This chart shows how all city tax dollars were spent.

how we get to your property tax bill

HERE IS THE FORMULA FOR DETERMINING THE TAXES FOR YOUR CLASS 2 PROPERTY:
ANNUAL PROPERTY TAX = {(ASSESSED VALUE MINUS EXEMPTIONS) (X) TAX RATE} MINUS ABATEMENTS

This formula consists of 5 steps:



DETERMINE MARKET VALUE
We generally value your Class 2 property based on its income earning potential.

DETERMINE ASSESSED VALUE
Market Value X 45% (level of assessment) = Assessed Value
(except for buildings with 10 units or fewer where increases on Assessed Value are capped)

DETERMINE TRANSITIONAL ASSESSED VALUE
20% phase-in of assessment changes for properties with 11 units or more

APPLY EXEMPTIONS ON FILE
Assessed Value or Transitional Assessed Value — exemptions (reductions to assessment)
= Taxable Value

PROPERTY TAX BILL
Taxable Value X tax rate — abatements (reductions to the tax) = Property Tax

step 1

Market Value —Valuing Your Property

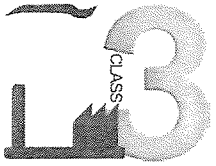
Finance assigns Market Values to all properties in New York City – approximately 1,045,000 properties each year. Market Value is the worth of your property determined by Finance based on your property's classification and requirements set out in N.Y. State Law.

PROPERTY TAX CLASSES

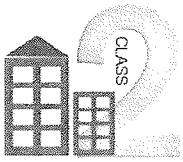
Property in New York City is divided into different classes, each treated differently under the law. The type of property you own determines your class and how property value is assessed.



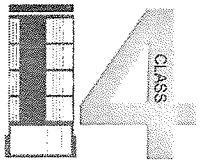
One- to three-unit residential properties



Utility company equipment and special franchise property



Residential property with more than 3 units including cooperatives & condominiums



All other real property, including office buildings, factories, stores, hotels and lofts

Tax classes each pay a different share of property tax in New York City. Each class's portion of property tax is called its 'class share'. N.Y. State law sets limits on how much class shares can rise annually. The City Council can request that the State Legislature lower these increases. Once they are set for the year, class shares are then used to determine the tax rates for each class.

FISCAL YEAR 2017	CLASS 1	CLASS 2	CLASS 3	CLASS 4
Tax Rates	19.991%	12.892%	10.934%	10.574%
Market Value	45.63%	24.19%	3.17%	27.01%
% of City Property Taxes Paid	15.03%	36.55%	6.04%	42.38%

Note: These values are approximate. Fiscal Year 2017 is July 1, 2016 - June 30, 2017.

class 2 market values

N.Y. State Law mandates that we value all Class 2 properties as income producing, based on their income and expenses. This means that when you see the Market Value that we assign to your property, it may not look like what you would expect its sales price to be.

To get to your Market Value, we use a statistical model as a tool to find typical income and expenses for properties similar to yours (in terms of size, location, number of units and age). Next, we apply a formula to the income data to get to your Market Value.

Class 2 properties include rental buildings, condominiums and cooperatives. All are valued as if they are income producing properties. There are variations in how we determine your Market Value depending on whether you live in a larger condo or co-op with 11 units or more, or a smaller building with 10 units or fewer.



LARGER RENTAL BUILDINGS

Most rental building owners are legally required to file an annual Real Property Income and Expense (RPIE) statement. To determine a rental property's Market Value, we use income and expense information filed by owners to estimate your property's current net income (income after expenses). Our net income estimates include adjustments to the filed information based on our statistical models and assessment guidelines. We then apply a capitalization rate to the estimated net income to generate your Market Value. The capitalization rate is the expected rate of return based on the income generated by your building. You can find your estimated income, expenses, and the capitalization rate on our website at nyc.gov/finance.



LARGER CONDOS AND CO-OPS – 11 UNITS OR MORE

State Law mandates that condos or co-ops be valued as rental buildings. Your co-op or condo is owned by unit. We have to value your building as if it were income-producing, so we do not start with your unit's value. Instead, we compare your building to similar rental buildings. We use statistical modeling techniques to assign estimated income and expenses to your property based on rental properties that are similar to yours in terms of size, location, number of units and age. We then apply a capitalization rate to the estimated net income (income after expenses). The capitalization rate is the expected rate of return based on the income assigned to your property. You can find the comparable properties we selected and used to produce your Market Value at nyc.gov/finance. You can also view the estimated income, expenses and capitalization rate.

CO-OPS: Your building receives a Market Value for the entire building. You can view the Market Value for your building at nyc.gov/finance.

CONDOS: We first determine Market Value for your entire building. Based on the unit allocation factor that your condo board has given us for your unit, we determine the Market Value for your unit. If you live in a newer building, the unit allocation factor is usually what was in the sales offering plan for your unit.



SMALLER BUILDINGS – 10 UNITS OR FEWER

Smaller Class 2 buildings are also valued as income-producing properties. However, since most of these buildings are not legally required to file a Real Property Income and Expense (RPIE) statement, the valuation approach is simplified using the Gross Income Multiplier method (GIM):

- Estimate the typical income per square foot generated by comparable rental properties.
- Generate a total income for the building by multiplying the income per square foot by the building's total square footage.
- Multiply the building's estimated income by a factor to generate the property's Market Value. For example, a building with income of $100,000 and subject to a multiplier of 10 would be valued at $1 million.

2 step Assessed Value — Assessing your Property

Once we've determined your Market Value, we calculate your Assessed Value. Assessed Values are based on a set percentage of Market Value. For Class 2, the assessment percentage is 45%; your Market Value is multiplied by 45% to arrive at Assessed Value.

CLASS 2 PROPERTIES WITH 10 UNITS OR FEWER:

There is another factor that affects the calculation of Assessed Value for Class 2 buildings with 10 units or fewer: State law limits how much the Assessed Value of a smaller Class 2 building (Class 2a, b or c) in New York City can go up each year. It cannot go up more than 8% from the year before or 30% over five years. Therefore, your Assessed Value will be whichever is lower: 45% of your Market Value or the capped amount. Because of the caps, most Assessed Values for Class 2a, b and c properties are lower than the 45% assessment percentage. This means that it can take many years for Assessed Values to catch up with changes to Market Value. You may find that even when your Market Value goes down, your Assessed Value continues to go up because it is still less than 45% of your current Market Value. Please note that physical changes to your property are not capped the same way. They are applied in full to your Market Value, and then generally assessed at 15% of the increase.

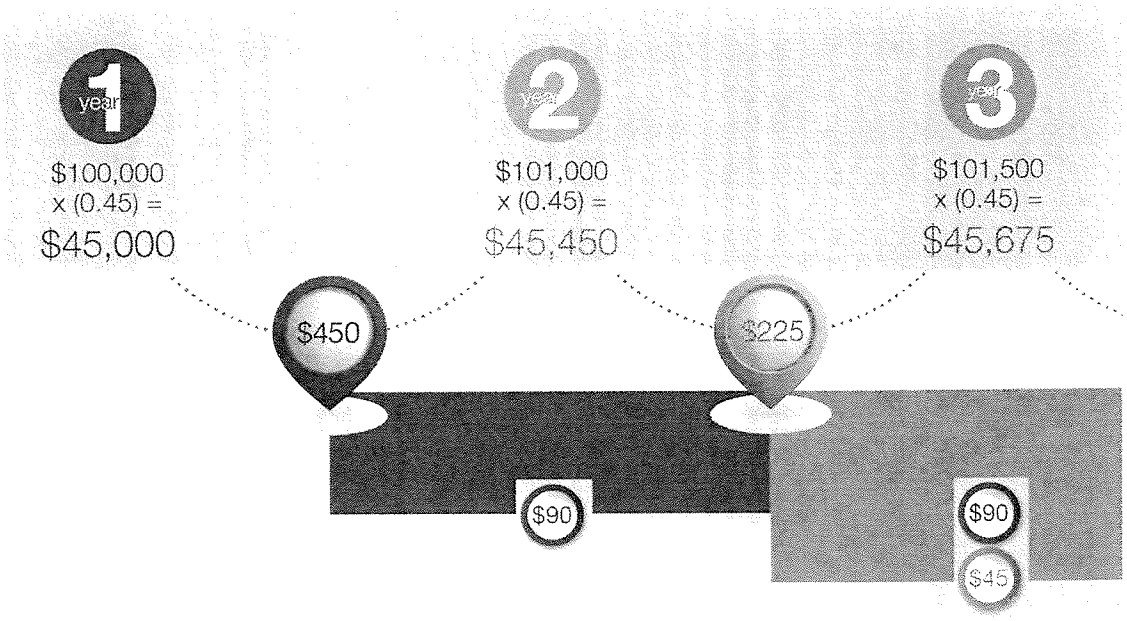
You can find more information about caps on Assessed Values in the Class 1 Property Tax Guide, available at nyc.gov/finance.

3 step Transitional Assessed Value – For Class 2 Properties With 11 Units or More

Another factor that affects the calculation of your Assessed Value is a State law requirement that we phase in any changes to your Assessed Value over a five-year period. This means that we apply 20% of the change each year for five years. When a new assessment is made each year, any additional change is again spread out over a five-year period. In any given year, there are multiple transitions being applied which results in an Assessed Value and a Transitional Assessed Value for your property each year. The law requires that we use whichever number is lower — your Assessed Value or Transitional Assessed Value — to get to your property tax bill. Please note that physical changes to your property are not phased in. They are applied in full to your Market Value and then multiplied by the assessment ratio of 45%.

how we determine

Here's a detailed example of how transitional assessments are phased in – 20% of the change to your annual Assessed Value is applied each year, over a

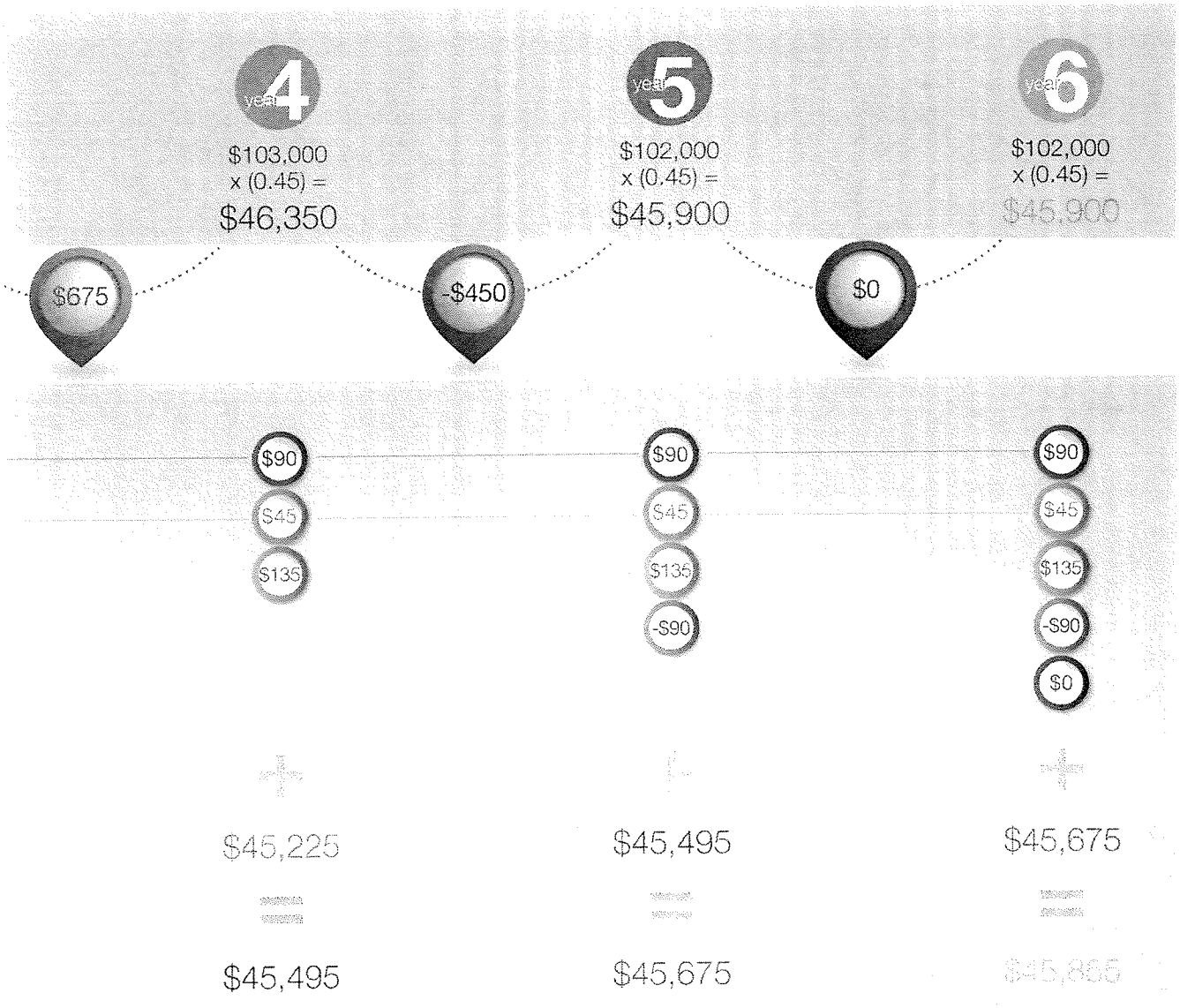


Property Market Value	$100,000	$101,000	$101,500
Class 2 Assessment %	x (0.45) =	x (0.45) =	x (0.45) =
ASSESSED VALUE	$45,000	$45,450	$45,675
Difference in Annual Assessment		$450	$225
20% Phase-in of Assessment Changes for Properties With 11 Units or More		$90	$90
			$45
		+	+
PREVIOUS YEAR ASSESSED VALUE		$45,000	$45,090
		=	=
TRANSITIONAL ASSESSED VALUE	$45,000	$45,090	$45,225

transitional assessed value

CLASS 2 PROPERTIES WITH 11 UNITS OR MORE

five year period. Remember, the law requires that we use whichever is lower – the Assessed Value or Transitional Value – to get to your property tax bill.





Exemptions—Reducing your property tax

The City and State of New York offer a number of Property Tax Exemptions to residential property owners. Condo unit owners receive them for their unit. Every year, Finance tells co-op boards which units have personal exemptions; the boards allocate these benefits to co-op units as part of the common charges. The property tax bill you receive in June shows exemptions and abatements you have for the coming tax year, which starts on July 1.

- The deadline to apply for personal exemptions is March 15 for your exemption to begin on July 1 in the same year.
- The deadline to apply for the co-op/condo abatement is February 15 for your abatement to begin on July 1 in the same year.

PERSONAL EXEMPTIONS

STAR (School Tax Relief) Basic STAR	Enhanced STAR	SCHE (Senior Citizen Homeowners Exemption)	DHE (Disabled Homeowners Exemption)
Available to all owners of houses, co-ops and condos with annual adjusted gross income of $500,000 or less, as long as at least one owner uses the property as his or her primary residence. No age requirement.	Available to seniors (age 65 or over) with annual incomes of $86,000 or less.	Available to seniors (age 65 or over) with annual incomes of less than $58,399.	Available to home-owners with disabilities and annual incomes of less than $58,399.

Veterans Exemption	Disabled Crime Victim & Good Samaritan Exemption	Clergy Exemption
Available to veterans of the U.S. military who served during designated periods of conflict, spouses, widows/widowers of eligible veterans, and Gold Star parents (i.e., parents of soldiers killed in combat).	Available to crime victims who suffered a disability as a result of the crime and Good Samaritans who suffered a disability while trying to prevent a crime or assist a victim. Police officers are not eligible. Eligible applicants must modify their homes to accommodate the disability.	Available to members of the clergy whose principal work is ministerial, retired members of the clergy, and widows/ widowers of clergy members. The clergy member, not the religious organization, must own the home.

Want to Apply for an Exemption? Learn More About Abatements?

What's the difference between the two reductions?

Exemptions
An exemption reduces your Assessed Value before your taxes are calculated.

Abatements
An abatement reduces your taxes after they have already been calculated.

Exemptions & Abatements — What They Are & Who Can Apply

Exemption and abatement eligibility requirements and benefits can change by law. Please visit nyc.gov/finance for a full list of exemptions and abatements, the most up to date information, and to download applications.

BUILDING EXEMPTIONS

421

A partial property tax exemption for new construction of residential apartment buildings. This program is managed by the NYC Dept. of Housing Preservation and Development.

J51

A partial property tax exemption for renovation of residential apartment buildings. This program is managed by the NYC Dept. of Housing Preservation and Development.

ABATEMENTS

Co-op/Condo

Decreases the amount of property taxes owed for owners of condominium and cooperative units. The building must apply for the entire development.

J51

A partial property tax abatement for renovation of residential apartment buildings. This program is managed by the NYC Dept. of Housing Preservation and Development.

Solar Energy

Provides a property tax abatement to properties that use solar power through solar panels. This program is managed by the NYC Dept. of Buildings.

Green Roof

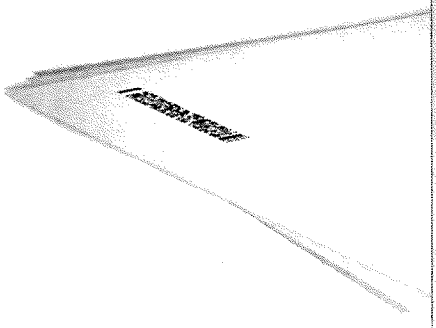
A one-time property tax abatement for properties that have green roofs. This program is managed by the NYC Dept. of Buildings.

Check Your Property's Exemptions and Abatements? Visit nyc.gov/finance.

step 5 Your Property Tax Bill — Class 2

Here is an example of a Property Tax Bill for a Class 2 co-op with more than 10 units, along with an explanation for each of the values listed.

Note: Co-op owners do not get this bill; it is mailed to the co-op board, and the board allocates property taxes to each unit as part of their common charges. Condo unit owners get a bill for their unit. All property tax bills are available online at nyc.gov/finance.



NYC Department of Finance

Statement Details

Previous Charges	Due Date	Amount
Total previous charges including interest and payments		$0.00

Current Charges	Activity Date	Due Date	Amount
Finance-Property Tax		04/01/2015	$491.32
Total current charges			$491.32

Annual Property Tax Detail

Tax class 2 - Residential, More Than 10 Units
Current tax rate — Tax rate 12.883%

Co-op/Condo Benefit based on Average Assessed Value of $22,799

	Billable assessed value		Tax rate		Taxes
Estimated market value $57,334					
Tax before exemptions and abatements	$22,647	X	12.8830%	=	$2,918
Basic STAR - School Tax Relief	$-2,250				$-236**
Tax before abatements					$2,682
Co-op/Condo Abatement 1 Unit					$-711
Annual property tax					$1,971

** This is your NYS STAR tax savings. It cannot increase more than 2% a year. For more information, please visit us at nyc.gov/finance or contact 311.

If you own income producing property, you must file a Real Property Income and Expense Statement or a Claim of Exclusion unless you are exempt by law. The deadline to file is June 2, 2014. Failure to file will result in penalties and interest, which will become a lien on your property if they go unpaid. To see if you are exempt from this requirement and to learn more, please visit nyc.gov/rpie.

- **Market Value**
  Finance values your property based on its income producing potential.
- **Assessed Value**
  Your Assessed Value is taken from whichever is lower: your Market Value times 45% or the transitional amount.
- **Exemptions**
  The value of exemptions is deducted from the assessed value.
- **Taxable Value**
  The Taxable Value is the assessed value minus the exemptions.
- **Tax Rate**
  The City's approved tax rate for Class 2 properties is applied to the taxable value to calculate your property tax. Your property tax rate for the tax year (July 1 – June 30) is not finalized until November. That is why you see two tax rates here: Your July and October bills had the tax rate from the prior year applied. The bill shown here, due in January, shows the new tax rate that was finalized in November.
- **Annual Property Tax**
  If you have any abatements, they are applied and subtracted from the amount of your taxes to determine your final property tax bill.

Review of How We Get To Your Property Tax Bill

ANNUAL PROPERTY TAX = {(ASSESSED VALUE MINUS EXEMPTIONS) (X) TAX RATE} MINUS ABATEMENTS

1 MARKET VALUE:
$57,334

2 ASSESSED VALUE: Market Value (x) 45% (level of assessment) = Assessed Value (except for buildings with 10 units or fewer, which are capped)
$25,800

3 TRANSITIONAL ASSESSED VALUE: 20% Phase-in of Assessment Changes for properties with 11 or more units
$22,647

4 EXEMPTIONS: Assessed Value or Transitional Assessed Value minus exemptions (reductions to assessment) = Taxable Value
$22,647-$1,832* = $20,815

5 ANNUAL PROPERTY TAX: Taxable Value X Tax Rate** less Abatements
$20,815 X 12.883% less Abatements of $711= $1,971

**STAR Exemption can only go up by 2% per year*
***Tax rate for 2015/16 tax year; rates vary from year to year*

paying your property tax bill

Remember that your property tax bill is based on your assessment, including any change(s) by the NYC Tax Commission. Please note that co-op owners and renters do not pay the tax directly; it is included in their rent or as part of a co-op unit's common charges.

Once you receive your bill, we suggest you carefully review it. For your convenience, you can view your property tax bills online at nyc.gov/finance and pay your property tax online using home banking, either through your bank or an online bill pay website. You can pay by electronic check or by credit or debit card (please note there is a fee to use a card). You can also mail your payment to us. Be sure to follow the payment instructions that are on your bill.

Here's what you can expect in terms of payment schedule:

- QUARTERLY PAYMENTS: All properties with an Assessed Value of $250,000 or less must make tax payments four (4) times a year. Quarterly bills are usually sent one month before taxes are due; due dates are July 1st, October 1st, January 1st and April 1st.
- SEMI-ANNUAL PAYMENTS: All properties with an Assessed Value of more than $250,000 must make tax payments two (2) times a year. Semi-annual property tax bills are usually sent one month before taxes are due on July 1st and January 1st.

PAYING PROPERTY TAXES THROUGH A BANK OR MORTGAGE SERVICING COMPANY?

You will not receive a property tax bill in the mail unless you are responsible for paying other charges, such as sidewalk and emergency repairs. These charges are not included in the payment made by your bank or mortgage company; you must pay them yourself.

notice of property value

YOUR ANNUAL NOTICE WITH DETAILS ABOUT YOUR PROPERTY

By law, all properties are valued according to the property's physical condition as of January 5. Later in January, we mail New York City property owners a Notice of Property Value (NOPV).

You will find that the NOPV has important detailed information about your property, including Finance's estimate of your property's Market and Assessed Values. Keep in mind that the NOPV is not a tax bill and does not require a payment. The information will be used for the tax year that begins on July 1.

The NOPV also lists any exemptions you have in the current tax year and may list some of your exemptions for the next tax year depending on when you applied for them.

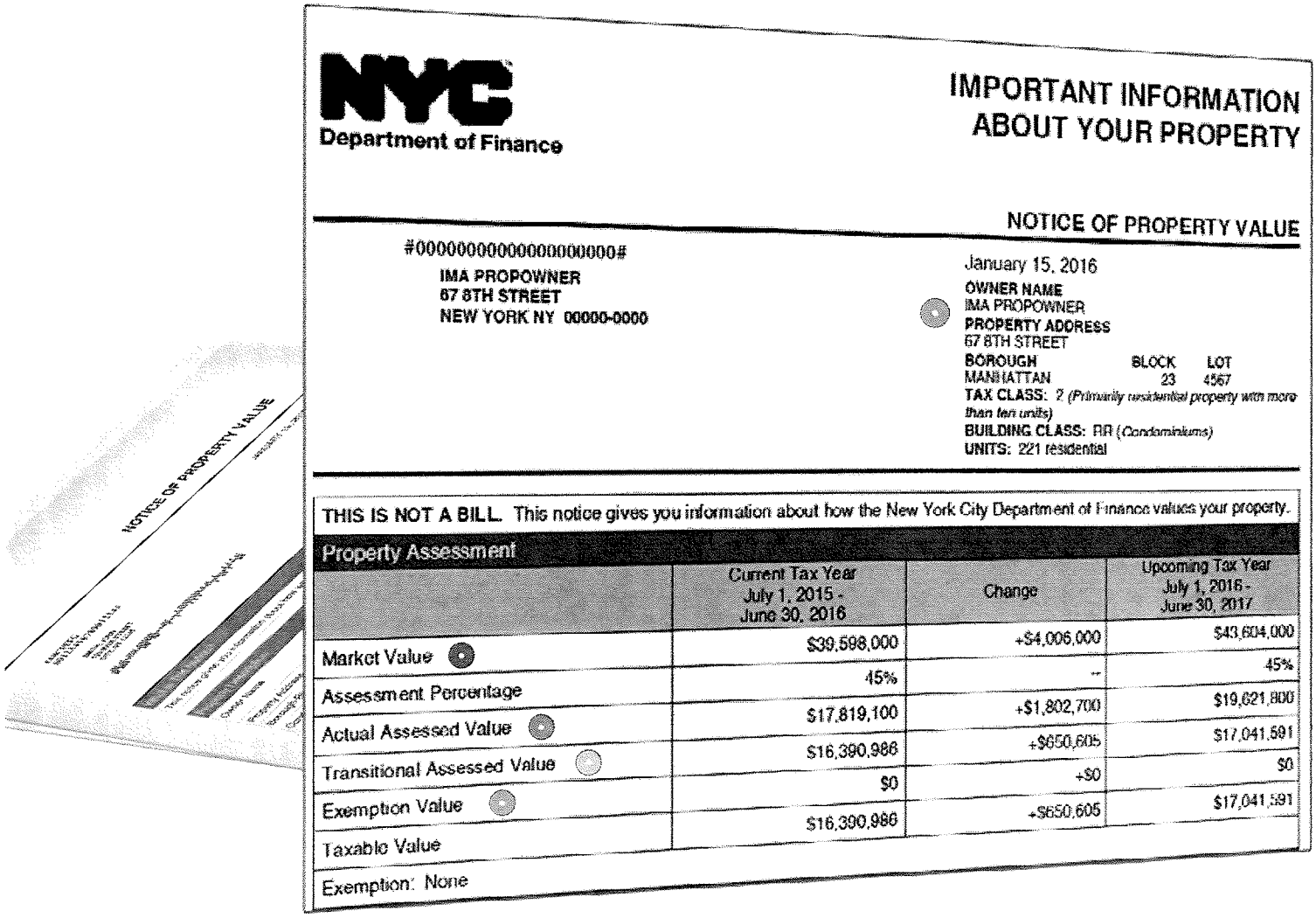
Please note that co-op unit owners do not get an NOPV for units; the co-op board gets the NOPV for the building. Condo unit owners receive an NOPV for their unit. All NOPVs can be viewed online at nyc.gov/finance. If your property is classified as Class 2a, 2b or 2c, refer to the Class 1 Property Tax Guide to learn more about your NOPV.

Here is an example of an NOPV for a Class 2 Condo in a building with 11 units or more.

Market Value
We have to value your building as if it were income-producing, so we do not start with your unit's value. Instead, we compare your building to similar rental buildings. We use statistical modeling techniques to assign estimated income and expenses to your property based on rental properties that are similar to yours in terms of size, location, number of units and age.

Actual Assessed Value
Your Assessed Value is taken from whichever is lower: your Market Value times 45%, or the transitional amount. For more detailed information on Assessed Value, please go to page 7.

Transitional Value
We apply 20% of the full Assessed Value change each year for five years unless there has been a physical improvement. In any given year, there are five years of transitions being applied.



NYC
Department of Finance

IMPORTANT INFORMATION ABOUT YOUR PROPERTY

NOTICE OF PROPERTY VALUE

#0000000000000000000#
IMA PROPOWNER
67 8TH STREET
NEW YORK NY 00000-0000

January 15, 2016
OWNER NAME
IMA PROPOWNER
PROPERTY ADDRESS
67 8TH STREET
BOROUGH **BLOCK** **LOT**
MANHATTAN 23 4567
TAX CLASS: 2 *(Primarily residential property with more than ten units)*
BUILDING CLASS: RR *(Condominiums)*
UNITS: 221 residential

THIS IS NOT A BILL. This notice gives you information about how the New York City Department of Finance values your property.

Property Assessment

	Current Tax Year July 1, 2015 - June 30, 2016	Change	Upcoming Tax Year July 1, 2016 - June 30, 2017
Market Value	$39,598,000	+$4,006,000	$43,604,000
Assessment Percentage	45%	--	45%
Actual Assessed Value	$17,819,100	+$1,802,700	$19,621,800
Transitional Assessed Value	$16,390,986	+$650,605	$17,041,591
Exemption Value	$0	+$0	$0
Taxable Value	$16,390,986	+$650,605	$17,041,591

Exemption: None

Property Description

Basic property information: ownership, description, classification and BBL.

Property Identification: BBL

Each property in New York City is identified by a set of three numbers called the Borough, Block, and Lot (BBL). BBLs are used to identify real estate for taxes, zoning, construction, and other purposes. Finance uses these numbers on most property correspondence. Be sure to have your BBL on hand when you contact Finance — it will help resolve your issue more quickly.

The Borough number is always first:
1 = Manhattan 2 = Bronx 3 = Brooklyn 4 = Queens 5 = Staten Island

The Block number is second
It can be up to 5 digits.

The Lot number is last
It can be up to 4 digits.

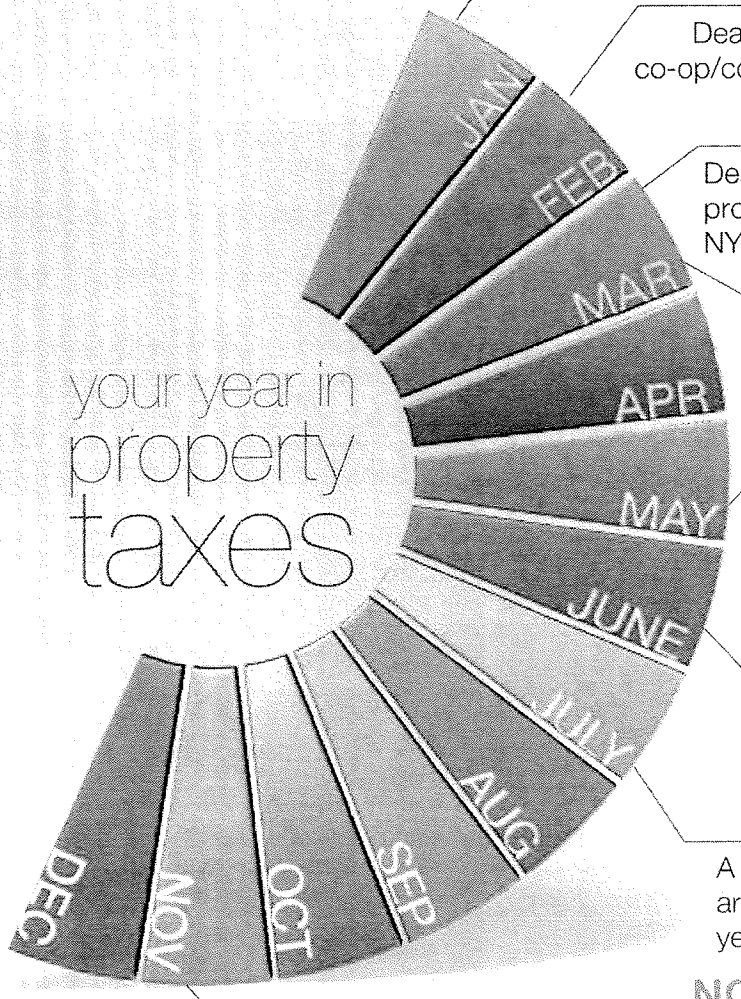
Exemptions

Your exemptions are listed here. Exemptions reduce your Assessed Value before your taxes are calculated.

WHAT TO DO IF YOU THINK YOUR NOTICE OF PROPERTY VALUE has wrong information

If you believe that the Assessed Value determined for your property is too high, you have the right to appeal to the NYC Tax Commission, an independent City agency. The Tax Commission has the authority to change your property's tax class, reduce its assessment, and adjust exemptions. You do not need an attorney to file with the Tax Commission, and you are not required to attend a personal hearing (unless you wish to do so).

- The application forms to file an appeal with the Tax Commission must be received by March 1st and can be found by visiting the Tax Commission's website: nyc.gov/html/taxcomm.
- Co-ops, condos and rental buildings appeal their assessments together as a building or development. However, condo units can also file separately.
- Please note that if you have a smaller Class 2 property with 10 units or fewer, you must prove that your property's value is less than its Effective Market Value for the Tax Commission to lower your assessment. Please refer to the Class 1 Property Tax Guide for more information about Effective Market Value.
- If you wish to let us know about a discrepancy regarding your property (for example, the description of your property is not correct), you may file a form to request an update with Finance. For your tax class, this form must be filed by March 1st and can be found on our website, nyc.gov/finance, between mid-January and the March 1st deadline.
- It is important to remember that filing this form with Finance is not a substitute for appealing your Assessed Value with the Tax Commission.



JANUARY

Finance mails your Notice of Property Value.

FEBRUARY

Deadline to apply for co-op/condo abatement.

MARCH 1

Deadline to dispute your property's value with the NYC Tax Commission.

MARCH 15

Deadline to apply for personal exemptions.

MAY

Finance releases the final assessment roll and generates property tax bills for the next tax year that begins on July 1.

JUNE

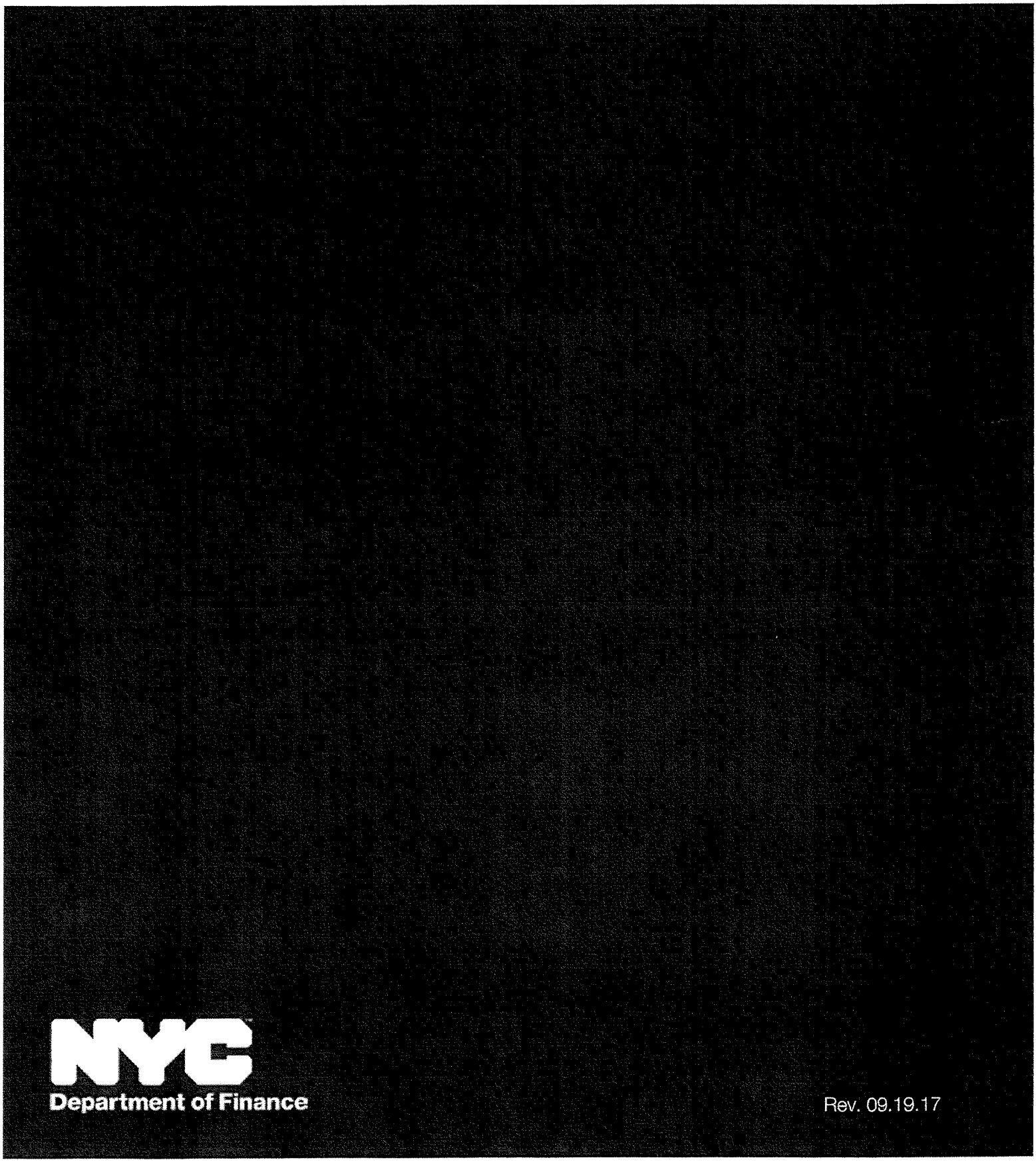
You receive your first property tax bill for the tax year that begins the next month, July.

JULY 1

A new tax year starts; you are taxed at the previous year's tax rate.

NOVEMBER

The City Council approves the tax rates and the Mayor signs off on them. They are usually finalized in November when class shares are determined. Because we are almost halfway through the tax year by November, your taxes for the first part of the year are re-calculated at the new rate.


NYC
Department of Finance
Rev. 09.19.17

Department of Finance

NOTICE OF PROPERTY VALUE
Tax Year 2020-21
(This is not a bill.)

#3845585200109O1#

ALIZIO REALTY CO
83-36 BEVERLY RD.
JAMAICA NY 11415-1726

January 15, 2020

Owner
ALIZIO REALTY CO

Property Address
83 -36 BEVERLY ROAD

Borough: 4 **Block:** 3330 **Lot:** 33

Tax Class: 2 **Building Class:** D4 **Units:** 40 Residential - 4 Non-Residential

YOUR NOTICE OF PROPERTY VALUE (NOPV) AT A GLANCE

2020-21 Market Value: $4,692,000

2020-21 Assessed Value: $2,111,400

Your property tax exemptions: SENIOR CITIZEN,ENHANCED STAR

See below for an estimate of your 2020-21 property tax.

WHAT IS THIS NOTICE?

This is your annual notice of property value, or NOPV. **It is not a bill, and no payment is required**. This notice will:

- Inform you of the assessed value of your property for tax year 2020-21, and tell you how to challenge it if you believe there is a mistake.
- Explain how property taxes are calculated.
- Provide an estimate of your property tax for tax year 2020-21.

Please keep a copy of this notice with your records. You may also view your NOPV and property tax bills online at www.nyc.gov/nopv.

KEY DATES

March 2, 2020
Last day to challenge your assessed value.
(*See page 2.*)

March 16, 2020
Last day to apply for a tax exemption.
(*See page 3.*)

April 1, 2020
Last day to request review of your market value.
(*See page 2.*)

July 1, 2020
Tax year begins.

November 2020
2020-21 tax rate is determined.

ESTIMATED 2020-21 PROPERTY TAX

We cannot calculate your 2020-21 property tax until the new tax rate is established by the city council. Until then, you will pay the 2019-20 rate. The table below estimates the amount you will owe by multiplying the taxable value of your property by the current tax rate of 12.473%. This table is provided for informational purposes only; the actual amount you owe may differ.

Please note that property tax abatements, including the coop-condo abatement, are not included in this estimate. If you receive any abatements, they will be subtracted from your property taxes. Check your July tax bill for the value of any abatements you receive.

Year	Taxable Value		Tax Rate		Estimated Property Tax
2020-21	$1,809,093	x	0.12473	=	$225,648.17

To learn more, visit www.nyc.gov/nopv

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ABOUT YOUR PROPERTY TAXES

Property taxes are determined using a complex formula that takes into account many different amounts and calculations. Visit www.nyc.gov/nopv for more information about property valuation and taxation.

The Department of Finance estimates that as of January 5, 2020, the market value for this property is $4,692,000.

We estimate your property's market value using the income approach. Market value is determined by dividing the net operating income by the overall capitalization rate.

The following factors are used by the Department of Finance to determine market value:

Estimated Building Gross Square Footage: 41,155
Estimated Gross Income: $907,468
Estimated Expenses: $305,370

Net Operating Income: We subtract estimated expenses from estimated gross income, resulting in a net operating income of $602,098.

Base capitalization rate: We used a capitalization rate of 7.22% which is the Department of Finance's estimate of the rate of return that an ordinary investor would expect on their investment in this type of property.

Overall capitalization rate: We add an effective tax rate of 5.613% to account for taxes due. Added together your overall capitalization rate is 12.833%.

Visit www.nyc.gov/nopv for more information.

If you own income-producing property, you must file a Real Property Income and Expense (RPIE) statement or a claim of exclusion unless you are exempt by law. You must also file information about any ground or second floor commercial units on the premises, even if you are exempt from filing an RPIE statement. The deadline to file is June 1, 2020. Failure to file will result in penalties and interest, which will become a lien on your property if they go unpaid. Visit www.nyc.gov/rpie for more information.

Beginning February 2020, RPIE filers with a tentative actual assessed value of $750,000 or greater will be required to file an addendum containing rent roll information for the tax year during which filing of the income and expense statement is required.

How You Will Be Billed:

Property tax bills are mailed quarterly for properties with an assessed value of $250,000 or less and semiannually for properties assessed at more than $250,000. If you pay your property taxes through a bank, mortgage servicing company, or co-op board, you will not receive a bill from the Department of Finance unless you are responsible for other charges, such as sidewalk or emergency repair charges.

WHAT TO DO IF YOU DISAGREE WITH THESE VALUES

Challenge Your Market Value with the Department of Finance	**Challenge Your Assessed Value** with the New York City Tax Commission
If you believe the Department of Finance has made an error in determining your market value, you may submit a "Request for Review" form. The form is available at www.nyc.gov/nopv, or by calling 311. **Deadline: April 1, 2020**	You have the right to challenge your assessed value by appealing to the New York City Tax Commission, an independent agency that is separate from the Department of Finance. The Tax Commission has the authority to reduce your property's assessed value, change its tax class, and adjust your tax exemptions. The Tax Commission cannot change your market value, property description, or building class. Your application must be received by the filing deadline. To access Tax Commission appeal forms, visit www.nyc.gov/taxcommission. You may also visit a Department of Finance business center (locations at www.nyc.gov/nopv). For more information, call 311. **Deadline: March 2, 2020**

PLEASE REVIEW: YOUR PROPERTY DETAILS

The Department of Finance has the following information on record for your property. Please review this information and inform us of any errors by filing a "Request to Update" form, available at www.nyc.gov/nopv or by calling 311.

Owner(s): ALIZIO REALTY CO

Building Class: D4 (Elevator apartments)

Borough: 4 (Queens)
Block: 3330
Lot: 33

Building Category: CU32
Building Sub-Category: O

Number of Buildings:	1	**Gross Square Footage:**	41,155
Number of Stories:	6.00	**Number of Residential Units:**	40
Structure Type:	Highrise Apt	**Gross Residential Square Footage:**	35,155
Grade:	None	**Number of Commercial Units:**	4
Construction Type:	N/A	**Gross Commercial Square Footage:**	6,000
Primary Zoning:	R2	**Year Built:**	1966

WHAT'S CHANGED: COMPARING TAX YEARS 2019-20 AND 2020-21

	Current Year (2019-20)	Next Year (2020-21)	Change
Market Value	$4,206,000	$4,692,000	+$486,000
Assessment Percentage	45%	45%	--
Actual Assessed Value	$1,892,700	$2,111,400	+$218,700
Transitional Assessed Value	$1,765,590	$1,840,740	+$75,150
Exemption Value	$30,763	$31,647	+$884
Taxable Value	$1,734,827	$1,809,093	+$74,266

- **Market value** is the Department of Finance's estimated value for your property.
- **Assessment percentage** is a fixed percentage of market value. For class 2 properties, it is 45%.
- **Actual assessed value** is calculated by multiplying your market value by the assessment percentage.
- Changes to your assessed value are phased in over a five-year period. The **transitional assessed value** represents the changes being phased in for the coming tax year.
- **Exemption value** is the amount of the reduction in your assessed value as a result of any property tax exemptions you receive. The value shown above is your actual exemption value, but a transitional exemption value may be used to calculate your taxable value.
- **Taxable value** is the lower of the actual or transitional assessed value, minus the actual or transitional exemption value.

HOMEOWNER TAX EXEMPTIONS

New York City offers tax breaks known as exemptions to seniors, veterans, clergy members, people with disabilities, and others. In addition to reducing your taxes, many exemptions can keep you out of the lien sale. See the enclosed sheet for more information about the lien sale.

The deadline to apply for homeowner exemptions is March 16, 2020. For more information, visit www.nyc.gov/nopv or call 311.

New York State offers a STAR benefit that covers many homeowners and an Enhanced STAR benefit for seniors. If you applied with the state for the STAR or Enhanced STAR credit after March 15, 2015, the credit will not appear on this notice. Visit www.tax.ny.gov/star for more information.

COOP-CONDO TAX ABATEMENT

Owners of cooperative and condominium units can receive an abatement that will help them save money on their property taxes. Your unit must be in an eligible building and it must be your primary residence.

Your managing agent or board of directors must apply on your behalf and certify that the unit is your primary residence. The deadline is February 18, 2020. Please contact your managing agent or board of directors with any questions.

If you need additional information, or if you do not have a managing agent, contact the Department of Finance at www.nyc.gov/contactcoopabat, or call 311.

HOW TO GET HELP

CONTACT THE DEPARTMENT OF FINANCE

If you have questions about any of the information in this notice, contact the New York City Department of Finance:

Online: www.nyc.gov/nopv

Phone: Dial 311. (Outside NYC or for relay service, call 212-639-9675.)

Mail: NYC Department of Finance
Correspondence Unit
1 Centre St, 22nd Fl
New York, NY 10007

In Person: Visit a DOF business center (locations at www.nyc.gov/nopv) or attend a Department of Finance outreach event (details below).

DEPARTMENT OF FINANCE OUTREACH EVENTS

Receive one-on-one help with your notice of property value. Call 311 or visit www.nyc.gov/nopv to confirm dates and locations and find other events in your borough. Bring your NOPV to the event.

MORNING EVENTS (10 A.M. - 12 P.M.)	
February 4 Bronx	Bronx Borough Hall 851 Grand Concourse, Rotunda
February 5 Manhattan	David N. Dinkins Municipal Building 1 Centre St, Mezzanine North
February 6 Staten Island	Staten Island Borough Hall 10 Richmond Terrace, Room 125
February 11 Queens	Queens Borough Hall 120-55 Queens Blvd, Atrium
February 12 Brooklyn	Brooklyn Borough Hall 209 Joralemon St, Community Room

EVENING EVENTS (5 - 7 P.M.)	
February 13 Manhattan	David N. Dinkins Municipal Building 1 Centre St, Mezzanine North
February 24 Brooklyn	Brooklyn Borough Hall 209 Joralemon St, Community Room
February 25 Bronx	Bronx Borough Hall 851 Grand Concourse, Rotunda
February 26 Staten Island	Staten Island Borough Hall 10 Richmond Terrace, Room 125
February 27 Queens	Queens Borough Hall 120-55 Queens Blvd, Atrium

OFFICE OF THE TAXPAYER ADVOCATE

If you have made a reasonable effort to resolve a tax issue with the Department of Finance but feel that you have not received a satisfactory response, the Office of the Taxpayer Advocate can help. For assistance, visit www.nyc.gov/taxpayeradvocate and complete form DOF-911, "Request for Help from the Office of the Taxpayer Advocate."

Phone: Dial 311. (Outside NYC or for relay service, call 212-639-9675.)
Mail: NYC Office of the Taxpayer Advocate, 375 Pearl Street, 26th Floor, New York, NY 10038

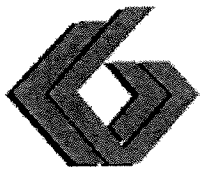
If due to a disability you need an accommodation in order to apply for and receive a service or participate in a program offered by the Department of Finance, please contact the Disability Service Facilitator at www.nyc.gov/contactdofeeo or by calling 311.

The Beverly Condominium
Projected Real Estate Taxes
For First Year Beginning May 1, 2022 to April 30, 2023

Unit	Revised Shares Per Amendment	% of Common Interest (Based on Co-op Shares)	Projected Taxable Value	Projected Monthly Real Estate Taxes	Projected Annual Real Estate Taxes
Comm A	1,139	3.62716%	65,981.01	685.82	8,229.81
Comm B	1,159	3.69085%	67,139.58	697.86	8,374.32
Comm C	1,538	4.89778%	89,094.63	926.06	11,112.77
Comm D	1,031	3.28323%	59,724.69	620.79	7,449.46
2A	640	2.03809%	37,074.49	385.36	4,624.30
2B	474	1.50946%	27,458.29	285.41	3,424.87
2C	735	2.34062%	42,577.73	442.56	5,310.72
2D	695	2.21323%	40,260.58	418.48	5,021.70
2E	633	2.01580%	36,668.99	381.14	4,573.72
2F	610	1.94255%	35,336.62	367.29	4,407.54
2G	595	1.89478%	34,467.69	358.26	4,299.16
2H	687	2.18776%	39,797.15	413.66	4,963.90
3A	648	2.06356%	37,537.92	390.18	4,682.11
3B	463	1.47443%	26,821.08	278.78	3,345.39
3C	743	2.36609%	43,041.17	447.38	5,368.52
3D	700	2.22916%	40,550.22	421.49	5,057.83
3E	640	2.03809%	37,074.49	385.36	4,624.30
3F	617	1.96484%	35,742.13	371.51	4,458.12
3G	602	1.91708%	34,873.19	362.48	4,349.73
3H	694	2.21005%	40,202.65	417.87	5,014.48
4A	654	2.08267%	37,885.49	393.79	4,725.46
4B	487	1.55086%	28,211.37	293.23	3,518.80
4C	749	2.38520%	43,388.74	450.99	5,411.88
4D	710	2.26100%	41,129.51	427.51	5,130.08
4E	647	2.06038%	37,479.99	389.57	4,674.88
4F	624	1.98713%	36,147.63	375.72	4,508.69
4G	609	1.93937%	35,278.69	366.69	4,400.31
4H	701	2.23234%	40,608.15	422.09	5,065.06
5A	660	2.10178%	38,233.07	397.40	4,768.81
5B	494	1.57315%	28,616.87	297.45	3,569.38
5C	756	2.40749%	43,794.24	455.20	5,462.46
5D	715	2.27693%	41,419.16	430.52	5,166.21
5E	654	2.08267%	37,885.49	393.79	4,725.46
5F	630	2.00624%	36,495.20	379.34	4,552.05
5G	616	1.96166%	35,684.20	370.91	4,450.89
5H	707	2.25145%	40,955.73	425.70	5,108.41
6A	668	2.12725%	38,696.50	402.22	4,826.61
6B	500	1.59226%	28,964.44	301.06	3,612.74
6C	762	2.42660%	44,141.81	458.82	5,505.81
6D	722	2.29922%	41,824.66	434.73	5,216.79
6E	660	2.10178%	38,233.07	397.40	4,768.81
6F	637	2.02853%	36,900.70	383.55	4,602.63
6G	633	2.01580%	36,668.99	381.14	4,573.72

Unit	Revised Shares Per Amendment	% of Common Interest (Based on Co-op Shares)	Projected Taxable Value	Projected Monthly Real Estate Taxes	Projected Annual Real Estate Taxes
6H	714	2.27374%	41,361.23	429.92	5,158.99
Gar1	50	0.15923%	2,896.44	30.11	361.27
Gar2	50	0.15923%	2,896.44	30.11	361.27
Gar3	50	0.15923%	2,896.44	30.11	361.27
Gar4	50	0.15923%	2,896.44	30.11	361.27
Gar5	50	0.15923%	2,896.44	30.11	361.27
Gar6	50	0.15923%	2,896.44	30.11	361.27
Gar7	50	0.15923%	2,896.44	30.11	361.27
Gar8	50	0.15923%	2,896.44	30.11	361.27
Gar9	50	0.15923%	2,896.44	30.11	361.27
Gar10	50	0.15923%	2,896.44	30.11	361.27
Gar11	50	0.15923%	2,896.44	30.11	361.27
Gar12	50	0.15923%	2,896.44	30.11	361.27
Gar13	50	0.15923%	2,896.44	30.11	361.27
Total	**31,402**		**$ 1,819,083.00**	**$ 18,907.85**	**$ 226,894.24**

Exhibit "J"



Galli Engineering, P.C.

July 5th, 2021

Jack Boyajian
The Hutton Group
70 W Allendale Ave
Floor 2, Suite D
Allendale, NJ 07401

Re: Annual Electricity Consumption Charges, 82-04 Lefferts Blvd ~ The Beverley Condominium, Kew Gardens, NY 11415.

The following analysis is for the individual electricity costs for residential units in The Beverley Condominium sponsored and created by 82-04 Lefferts Tenants Corp. This includes lighting, general power consumption, and air conditioning. Total electricity consumption is estimated at **204,224 KWH** per year, at a rate of **$0.21 per KWH** for a total cost of **$40,887.00 annually**. This includes taxes and but no inflation factor. A table breakdown of cost by apartment number by both monthly and yearly electricity consumption is seen below:

Table 1: Electricity Consumption

Unit	Est. Electricity (KWH/YR)	Electricity Cost	Est Electric Cost/Month	Est Electric Cost/year
2A, 3A, 4A, 5A, 6A	4,504	.21/KWH	$78.82	$945.90
2B, 3B, 4B, 5B, 6B	3,291	.21/KWH	$57.79	$691.05
2C, 3C, 4C, 5C, 6C	5,879	.21/KWH	$102.89	$1,234.66
2D, 3D, 4D, 5D, 6D	4,801	.21/KWH	$84.02	$1,008.24
2E, 3E, 4E, 5E, 6E	4,718	.21/KWH	$82.57	$990.82
2F, 3F, 4F, 5F, 6F	4,347	.21/KWH	$76.07	$912.90
2G, 3G, 4G, 5G, 6G	4,613	.21/KWH	$80.73	$968.82
2H, 3H, 4H, 5H, 6H	4,792	.21/KWH	$83.87	$1,006.40

Regards,
Richard D. Galli, P.E.
GALLI ENGINEERING, P.C.

O F F E R I N G PLAN

THE BEVERLY CONDOMINIUM

82-04 Lefferts Boulevard
Kew Gardens, New York 11415

PART II

SCHEDULE "A"

DISTRIBUTION AGREEMENT

THIS DISTRIBUTION AGREEMENT ("Agreement") is made this ____th day of _____, 20___, by and between _____, ("Receiving Shareholder"), and **82-04 Lefferts Tenants Corp.**, a New York corporation ("Corporation"), in connection with the conversion of the property located at 82-04 Lefferts Boulevard, Kew Gardens, NY 11415 comprising of 40 units from a cooperative form of ownership to a condominium form of ownership.

WITNESSETH THAT:

WHEREAS, Corporation is the owner of certain property including 40 residential units, 13 parking spaces and four (4) retail commercial spaces and the common areas attendant thereto, which is also commonly known as 82-04 Lefferts Tenants Corp., Kew Gardens, NY 11415 and the land on which it is situated (said units and land hereinafter, the "Property"); and

WHEREAS, the Corporation has recorded or will record a declaration (" Declaration") to establish the form of ownership of the Property as a Condominium pursuant to the New York Condominium Act (New York Code - Laws: Real Property: (339-d - 339-kk), as amended), under the name of The Beverly Condominium (hereinafter referred to as the "Condominium"); and

WHEREAS, Receiving Shareholder is a Shareholder of the Corporation and lessee under a certain proprietary lease dated _____ ("Proprietary Lease") at the Property (hereinafter, "the Cooperative Unit") and, in connection with the conversion of the Property from a cooperative to a condominium, wishes to acquire by Distribution title to **Unit # «Unit»** at The Beverly Condominium as a condominium unit (hereinafter, "the Condominium Unit"); and

WHEREAS, Corporation currently operates the Property as a housing cooperative whereby individuals become Shareholders of the housing cooperative and as Shareholders are entitled to enter into a proprietary lease with the housing cooperative which entitles them to occupy a specific housing unit within the cooperative; and

WHEREAS, subject to the terms and conditions set forth in the Offering Plan, as defined herein, and the requirements of applicable law., the Corporation has or will record the Declaration, distribute all units to the respective shareholders that currently have a leasehold interest to said units and finally dissolve the Corporation ("Conversion Plan" or "Conversion"); and

NOW THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which hereby is acknowledged, it is mutually agreed as follows:

1. Basic Terms.

A. A. Defined Terms. Capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration, By-laws and Plan of the Condominium ("Condominium Instruments") or, if not defined therein, the meanings specified for such terms in the New York Condominium Act. In addition, the following terms appearing in the document are defined:

a. "Date of Settlement" is the date upon which the Corporation completes the Distribution as defined below.
b. "Governing Documents" are the documents set forth in paragraph 24 below.

B. Terms of Distribution; Corporation's Obligation:

Corporation shall:

(i) Convey to Receiving Shareholder and Receiving Shareholder shall acquire from Corporation all of Corporation's rights, title and interest in and to the Condominium Unit including the undivided, proportionate share of all Common Elements appurtenant thereto, subject to the existing Proprietary Lease which at such conveyance the Proprietary Lease will merge into the unit deed and will extinguish upon the recording of the unit deed and assignment and assumption of lessors interest in the Proprietary Lease; and

(ii) Assign to Receiving Shareholder all of Corporation's right, title and interest in that certain Proprietary Lease dated by and between the Corporation and Receiving Shareholder relating to the Cooperative Unit; and

(iii) Transfer to Receiving Shareholder prior to final Dissolution of Corporation the share of Corporation's cash reserve accounts allocable to the Cooperative Unit, if any, subject to Paragraph 2(C)(ii)(c) infra, and

(iv) Transfer to Receiving Shareholder the share of Corporation's other assets, if any, allocable to the Cooperative Unit, subject to Paragraph 2(C)(ii)(b) infra.

All of the above being transferred or assigned by Corporation being hereinafter sometime referred to as the "Distribution Property".

C. Terms of Distribution; Receiving Shareholder's Obligation.

The Receiving Shareholder will receive the Distribution Property in distribution for all of Receiving Shareholder's right, title and interest in the Corporation, ownership interest of which Receiving Shareholder will relinquish to Corporation as part of Corporation's plan of dissolution and conversion to a condominium. Notwithstanding anything to the contrary herein, the Receiving Shareholder's interest in the existing Proprietary Lease will remain and not be relinquished at Distribution. The Distribution will occur after the plan has been declared effective pursuant to the terms of the Offering Plan, as defined herein, and applicable law.

D. Tax Consequences

Receiving Shareholder acknowledges that he or she is aware that the Distribution transaction may have individual income tax consequences to him or her as a result of the Distribution and the Distribution of Corporation's assets to the Condominium Association, and that he or she has had full opportunity to consult with an accountant or attorney with respect to such possible consequences as to individual income tax consequences. Receiving Shareholder also acknowledges that he or she is aware that the Distribution transaction involves the Distribution of assets of the Corporation, which may create an income tax liability to the Corporation which liability if not paid by Corporation could be passed

through to the Receiving Shareholder after the Date of Settlement as a Shareholder of the Corporation, and that he or she has had full opportunity to consult with an accountant or attorney with respect to such possible consequences. The Receiving Shareholders agrees to remain personally responsible for its pro-rata share of Corporate federal or state income tax liability, if any, that may be imposed in the future as they may relate to the Conversion Plan or the Conversion of this Unit and agrees to remit such amounts upon 30 days' notice. Please refer to the disclosures made in the Offering Plan regarding tax consequences.

2. Payment of Receiving Shareholder's Share of Indebtedness and Other Obligations.

A. At settlement, described below, as a condition precedent to the conveyance to Receiving Shareholder of the Condominium Unit, Receiving Shareholder shall pay to Corporation:

(i) Any and all amounts then due and owing by Receiving Shareholder to Corporation under the Proprietary Lease, any promissory note of Receiving Shareholder payable to Corporation, any other instruments by and between Corporation and Receiving Shareholder and any other fees, charges or other amounts outstanding and payable to Corporation as of the Date of Settlement ("Receiving Shareholder's Obligations to Cooperative").

B. Intentionally omitted.

C. Additionally, at settlement Receiving Shareholder shall be required to pay as directed the following, if applicable:

(i) Certain expenses of settlement as provided in Paragraph 10 hereof (hereinafter "Distribution Expenses"); and

(ii) The following sums which will be transmitted to the Condominium at the time of Distribution ("Condominium Charges"): (a) the amount of Common Expenses assessed against the Condominium Unit for the month following the date in which Distribution occurs and (b) cash reserves and other assets distributable to Receiving Shareholders under Paragraph 1(B) (iii), above, if any, as an initial capital contribution to the cash reserve accounts of the Condominium;

(iii) Receiving Shareholder's conversion-related expenses not already paid by the Corporation to The Hutton Group, Inc. ("Hutton"), the entity which is providing consulting and other services in connection with the conversion of the Property to condominium. These optional, special and supplemental products or services ("Supplemental Conversion Fees") shall be arranged directly with the Receiving Shareholder.

The total amount due from Receiving Shareholder at Distribution will include the Receiving Shareholder's Obligations, Distribution Expenses, cash reserve accounts and other assets distributed pursuant to paragraph 1(B)(iii) and (iv) above, Condominium Charges, Supplemental Conversion Fees, and all are sometimes hereinafter referred to together as the "Receiving Shareholder's Distribution Obligation."

3. Intentionally Omitted.

4. Amendment of Condominium Instruments.

Corporation reserves the right, upon notice to Receiving Shareholder, prior to Distribution hereunder, to make such modifications, additions or deletions in or to any of the Condominium Documents as may be approved or required by any permanent lender, secondary mortgage market agency, public authorities or the title company insuring title, provided that none of the same shall: (i) change the percentage of common interest of the Units as fixed in the Declaration (other than as permitted by the Declaration and the Condominium Act) or increase the proportion of the Common Expenses to be borne by the Unit(s) being transferred hereunder; (ii) require a material physical modification of the layout or location of the Unit(s); or (iii) decrease the financial obligations of Corporation hereunder.

5. Receipt and Binding Effect of Governing Documents; Corporation's Rights.

A. Condominium Governing Documents. Receiving Shareholder acknowledges receipt from the Corporation by electronic access or, upon request, copies the Condominium Instruments for the Condominium, including the Declaration, By-Laws and all other exhibits and schedules relating to the ownership, operations and governance of the Condominium Association. Receiving Shareholder hereby agrees to be bound by the provisions of the foregoing documents, as such documents may be amended from time to time as provided in each such documents.

B. Intentionally Omitted.

6. Delivery. At Distribution, Corporation shall deliver the Condominium Unit and the appurtenances thereto substantially in accordance with the Plats and Plans, as the same may be modified and amended from time to time, with all fixtures, appliances and equipment which have been provided by Corporation to date, if any. Notwithstanding the preceding, Corporation shall not be required to install or provide any fixtures or appliances not actually installed in the Unit as of the date of this Agreement. Corporation shall have the right to make such modifications or substitutions with respect to any portion of the Condominium as may be required by any governmental authorities asserting jurisdiction over the Condominium, or any permanent lender or as may be reasonably necessary.

7. "As Is" Condition. Receiving Shareholder acknowledges that he, she or it is fully familiar with the condition of the Condominium Unit and accepts same, and will accept same at Distribution, in its "as is" condition, subject to Section 11 below. Corporation makes no representation or warranty with respect to the condition of the Condominium Unit or of the fixtures, appliances or equipment transferred therewith. Receiving Shareholder hereby specifically waives any right to a pre-Distribution inspection of the Condominium Unit, and is deemed, at the Date of Settlement to release the Corporation from, and waive, any and all claims he/she may have against the Corporation.

8. Distribution. Corporation shall give notice to Receiving Shareholder specifying a date, which date shall not be less than five (5) nor more than thirty (30) days following the giving of such notice, on which Distribution shall take place (the "Distribution Date"). It is anticipated that Distribution shall begin on or around June 1, 2019. Notwithstanding any other provision in this Agreement to the contrary, Distribution shall take place within one (1) year of the date of full execution of this Agreement. Distribution may, at Corporation's option, be conducted individually or in groups, and shall take place on the date and at the place specified in the notice or such other date and place as the parties may agree upon in writing. Corporation shall deliver to Receiving Shareholder a good and sufficient unit deed or deeds at Distribution conveying the Condominium Unit to Receiving Shareholder and which deed will be subject to the existing Proprietary Lease on the Unit. The Corporation shall also deliver an assignment to the Receiving Shareholder of all the Corporation's

rights as lessor under the existing Proprietary Lease to which the Condominium Unit is subject. Receiving Shareholder shall pay the amounts required under this Distribution Agreement at settlement (in addition to causing the mortgagee, if any, to pay the financing proceeds) to the order of Corporation or as Corporation may direct. Delivery of the recorded deed may be delayed until all remaining and participating shareholders of the Corporation complete their distribution.

9. Title.

A. Quality. Acquisition and occupancy of the Unit shall be subject to the terms and conditions of the Condominium Instruments, the terms of which are expressly incorporated herein by reference. The Unit is conveyed free from encumbrances except as provided for herein. Title shall be good and marketable or insurable at regular rates, subject, however, to the existing Proprietary Lease, covenants, easements, conditions and restrictions of record or to be recorded prior to Distribution, including without limitation all such covenants, easements, conditions and restrictions set forth in the Condominium Instruments, as well as liens or other matters over which the title company agrees to insure.

B. Defects. If Corporation is unable because of any defect in title to deliver title at settlement, Corporation is expressly released from all liability for damages and Corporation, at Corporation's option, may either: (i) correct the defect if the same can be done within a reasonable time or (ii) terminate this Agreement. If Corporation determines that legal steps are necessary to remedy such defects in title, such action shall be taken promptly by Corporation at its own expense whereupon the time specified herein for full settlement by Receiving Shareholder will thereby be extended for the period necessary for such prompt action.

10. Expense of Closing.

A. At Distribution, Receiving Shareholder, shall pay for the following if any are applicable, as these are generally optional products or services:

i. Cost of examination of title for purposes of purchasing an optional title insurance policy
ii. Any owner's and mortgagee's title insurance premiums
iii. All recording costs relating to financing or transfer of interest in ownership
iv. Mortgage related costs such as insurance premiums then due, prepaid interest, loan origination or loan discount fees, fees for preparation of documents, clerk's fees, notary fees and attorney distribution charges.

B. At Distribution, the Corporation will pay for the following which is expected to be funded from proceeds from the sale of the commercial space and Unit 4A:

i. Conversion Fees which include basic legal fees and other professional fees related to the Distribution/Conversion process.
ii. Other legal fees that are not specific to the Receiving Shareholder's optional products and services referenced in Paragraph 10 (A) and Paragraph 2 herein.
iii. Title search for the aggregate property located at Property

11. Risk of Loss. By execution of this Agreement, Receiving Shareholder does not acquire any title to the Condominium Unit. The risk of loss or damage by fire or other casualty is assumed by Corporation until the deed of conveyance is delivered to Receiving Shareholder at Distribution.

12. Ratifications, Acknowledgement, Authorization to Convert to Condominium, Indemnifications and Approval of Amendment to By-laws and Declaration of Covenants, Conditions and Restrictions.

A. Receiving Shareholder grants to Corporation and Corporation's Board of Directors as attorney in fact the power ("Corporation's Special Power of Attorney") to perform the following acts together or separately, which are necessary and proper to fulfill the purpose of converting the Project to a condominium:
   i. Prepare, execute, file and complete all documentation that must be submitted to the New York Attorney General Office to obtain registration for the conversion of the Project from a stock cooperative to a condominium project ("Offering Plan"); and
   ii. Deliver and file with the New York State Department of Law a Condominium Plan for the Project; and
   iii. Execute and record a Declaration, Bylaws and reservation of easements for the Project as a condominium project; and
   iv. Execute and record any amendments needed to change (i) the legal description in any mortgages recorded against stock cooperative units to encumber converted condominium units, and (ii) the rider to the mortgages to a condominium rider.

B. Receiving Shareholder ratifies every act that Corporation and its Board of Directors has already performed or may lawfully perform, except for matters subject to Shareholder/Unit Owner approval per the governing documents of the Cooperative or Condominium and/or applicable law, but including the act of engaging The Hutton Group, Inc. to provide management and arrange for legal services related to the conversion. (Comment 53)

(Comment 54)

C. Receiving Shareholder acknowledges and agrees Corporation's Special Power of Attorney granted herein shall serve as Power of Attorney to the extent necessary for the Corporation and the Corporation's Board of Directors to lawfully complete the conversion process to a condominium form of ownership. This Corporation's Special Power of Attorney is a power of attorney coupled with an interest and is irrevocable.

D. Receiving Shareholder should note the information previously circulated by The Hutton Group, Inc. and the Corporation with respect to the conversion of the Cooperative to Condominium, was not reviewed by the New York State Department of Law prior to circulation and may contain conflicting disclosures than as contained within this Offering Plan. Unit Owners are advised to disregard any previous information and all other previously disseminated information regarding the Conversion is hereby superseded by the provisions of this Plan and the requirements of applicable law. The Offering Plan constitutes the entire offer to convert the Condominium Units and must, among other things and at a minimum, contains in detail the terms of the transaction and be complete, current and accurate; afford investors, purchasers, and other participants an adequate basis upon which to find their judgment; not omit any material fact; not contain any untrue statement of

a material fact and not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale. (Comment 55)

Please refer to the Offering Plan for all relevant documents and disclosures.

13. Assignment. This Agreement is personal to Receiving Shareholder, and Receiving Shareholder may not assign this Agreement without the prior written consent of Corporation, which may be granted or withheld in its absolute discretion. Any purported assignment of this Agreement in violation hereof shall be voidable at the option of Corporation. Corporation's refusal to consent to an assignment hereof shall not entitle Receiving Shareholder to terminate this Agreement or give rise to any claim for damages against Corporation. Corporation may assign its rights hereunder.

14. Notices. Any notice to be given hereunder by one party shall be in writing and sent by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand, to the other party at the address given above, or at such other address as either party may hereafter designate to the other in writing. In the event of a notice sent by mail, the postmark date shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

15. Brokerage. Corporation and Receiving Shareholder acknowledge that this Agreement was procured without the services, participation or intervention of any broker. Receiving Shareholder shall indemnify Corporation against the claim of any brokers, arising out of its Agreement including any attorney's fees incurred by Corporation as a result of such claim, whether or not suit is filed.

16. Delay; Receiving Shareholder's Termination Option. If settlement shall not have occurred within one (1) year after the full execution of this Agreement, Receiving Shareholder shall have the option to terminate this Agreement by written notice to Corporation, in which event neither party shall have any further liability to the other hereunder.

17. Integration; Merger. This Agreement supersedes any and all prior understandings and agreements between the parties and constitutes the entire agreement between them and no representations, warranties, conditions or statements, oral or written, not contained herein shall be considered a part hereof. This Agreement may not be amended, altered, modified or discharged except by an instrument in writing signed by the party sought to be charged therewith or by the duly authorized agent of such party. Any and all changes, deletions, omissions, additions and/or deviations from the printed form of this Agreement or any attachments hereto, other than the appropriate completion of the "blanks" which appear herein, not consented to by Corporation, shall be of no force, effect or validity and shall not be binding upon Corporation.

18. Miscellaneous. Subject to the provisions hereof, this Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns, effective as of the date of execution. The invalidity of any provision of this Agreement shall not affect the validity or enforceability of any other provision set forth herein. As evidenced by the signature of Receiving Shareholder herein below, Receiving Shareholder acknowledges and agrees that he or she has had adequate opportunity to consult with an attorney of his or her choice concerning the transactions contemplated herein and that he or she has executed this Distribution Agreement freely, willingly and without duress or other reservation. Notwithstanding anything to the contrary herein contained, acceptance of delivery of the deed at settlement shall constitute Receiving Shareholder's acknowledgment of full compliance by Corporation with the terms of this Agreement. The terms

hereof shall be merged into and extinguished by delivery of the deed at settlement except for Sections 1, 4, 5, 12, 17, 18, 24 and 26 which shall survive delivery of the deed and shall not be merged therein. Time is of the essence in this Agreement.

19. Waiver of Trial By Jury. Receiving Shareholder hereby waives its rights to a trial by jury in any civil action against Corporation relating to or arising out of the terms, covenants and conditions of this Agreement.

20. Status of Receiving Shareholder. If this Agreement is signed by an individual who is unmarried at the time of execution hereof and at the time of settlement such individual is then married, Receiving Shareholder shall indemnify Corporation from any loss that may arise by reason of the failure of Receiving Shareholder's spouse to execute any applications, mortgages, notes or other documents required by the lender. If Receiving Shareholder is married and Receiving Shareholder's spouse is not also a Receiving Shareholder under this Agreement, then Receiving Shareholder shall be responsible for such spouse's executing the mortgage loan documents required by the lender and the failure of such spouse to do so shall not release Receiving Shareholder from any obligations under this Agreement and Receiving Shareholder shall hold Corporation harmless from any loss as a result of the refusal of such spouse to sign any such document.

21. Continuation of Existing Obligations. The execution of this Agreement does not relieve Receiving Shareholder of his or her obligation to continue making all payments due by Receiving Shareholder to Corporation on a monthly basis in accordance with the terms of Receiving Shareholder's Proprietary Lease.

23. Right to Rescind. For a period of three (3) days following the later of the execution of this Agreement, Receiving Shareholder shall have the unqualified right to rescind this Agreement by giving actual notice in writing to Corporation. In the event Receiving Shareholder elects to rescind this Agreement as aforesaid, then the parties shall have no further rights and liabilities hereunder.

24. Condominium Governing Documents. Receiving Shareholder acknowledges constructive and actual receipt of the Governing Documents for the Condominium including the recorded Declaration, Bylaws, the Condominium Plan, a form of Distribution Agreement, the existing House Rules of the Condominium and the Condominium Buyer's Handbook.

25. Arbitration. At the exclusive option of the Receiving Shareholder, any claim which might be the subject of a civil action against the Corporation or Condominium which involves an amount less than $2,500.00 and arises out of or relates to this Distribution Agreement or the unit or project to which this agreement relates, shall be settled by binding arbitration conducted by the American Arbitration Association. The arbitration shall be conducted in accordance with applicable law and the currently applicable rules of the American Arbitration Association. Judgment upon the award rendered by arbitration may be entered in a circuit court of appropriate jurisdiction. The parties acknowledge that options for appeal are limited with respect to matters submitted to arbitration.

(Comment 12)

26. Shareholder Representation. The Receiving Shareholder has reviewed the Plan at least thirty (30) days prior to the execution of this Distribution Agreement. The Shareholder has executed the Conversion/Distribution Agreement pursuant to an offering made without fraud or any discriminatory inducements. By executing this Agreement, the Receiving Shareholder is consenting to the Conversion Plan and to the terms of this Agreement.

27. Conflict in Documents. In the event of a conflict between the Offering Plan and this Distribution Agreement, such conflict will be resolved according to the terms of the Offering Plan.

Notice to shareholders:

By signing below, the undersigned Receiving Shareholder acknowledges that

i. they reviewed the Plan at least thirty days prior to the execution of the Conversion/Distribution Agreement.
ii. they have executed the Conversion/Distribution Agreement pursuant to an offering made without fraud or any discriminatory inducements.
iii. by signing below, they are making clear of their consent to the conversion of his/her respective unit in the cooperative to a condominium.

IF YOU ARE DISSENTING, DO NOT SIGN BELOW AND INSTEAD FILL OUT THE ATTACHED DISSENTER FORM.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as for the date first set forth above.

RECEIVING SHAREHOLDER

_____
, Grantee

_____
, Grantee

82-04 Lefferts Tenants Corp.

By_____[SEAL]
Chandra Jain, President

DISSENTER FORM

I, _____, owning the shares attributed to Unit #: _____ in 82-04 Lefferts Tenants Corp. herby dissent from the proposed Conversion Plan.

Dated: _____

SHAREHOLDER(s)

Signature:_____

Print Name:_____

SCHEDULE B

CERTIFIED RESOLUTION OF

82-04 Lefferts Tenants Corp.

SHAREHOLDER APPROVAL OF ADDITIONAL AUTHORIZED SHARES AND SALE OF RETAIL SPACES AND UNIT 4A

I Chandra Jain, President of 82-04 Lefferts Tenants Corp., a New York Corporation, ("the Corporation") do hereby certify that the following Resolution was offered to be adopted by the Members of the Corporation in a vote that was duly called and held on November 7, 2019, at which a quorum was present and acting throughout, was adopted by Members representing 97.59% of the shares issued and outstanding as of that date **25,257** approving out of **25,881** shares outstanding) and that said Resolution has not been rescinded, mended or modified:

RESOLVED, that 82-04 Lefferts Tenants Corp.(the "Corporation") be authorized to proceed with the proposed purchase and sale agreement whereby the commercial units in the building and residential Unit No. 4A will be sold to the holder of unsold shares or a related entity at a price of $1,600,000 which will provide sufficient proceeds for the Corporation to pay off the underlying mortgage and fund a potential conversion to condominium and/or future capital replacement; and

FURTHER RESOLVED, that the Corporation file an amendment to the Certificate of Incorporation whereby the Fourth Article of the current Certificate of Incorporation shall be amended so as to be replaced in its entirety by the following:

"The aggregate number of shares which the Corporation shall have the authority to issue is thirty-five thousand (35,000) shares of the par value of One Dollar ($1.00) each, which are to be of the same class, and are hereby designated as common stock."

FURTHER RESOLVED, that the new share allocation for all commercial retail units, residential units and parking spaces shall be in accordance with the attached Schedule A.

IN WITNESS WHEREOF, I have here unto signed my name as Secretary and affixed the seal of this Corporation on this 15th day of November, 2019.

82-04 Lefferts Tenants Corp.

By: Chandra Jain, President

SCHEDULE A

82-04 LEFFERTS TENANTS CORP.
NEW SHARE ALLOCATION

Unit	New Shares Allocated	Total Updated Shares	Square Feet
Comm A	1,139	1,139	1217
Comm B	1,159	1,159	1240
Comm C	1,538	1,538	1642
Comm D	1,031	1,031	1100
2A		640	781
2B		474	503
2C		735	1096
2D		695	849
2E		633	830
2F		610	745
2G		595	806
2H		687	847
3A		648	781
3B		463	503
3C		743	1096
3D		700	849
3E		640	830
3F		617	745
3G		602	806
3H		694	847
4A	654	654	781
4B		487	503
4C		749	1096
4D		710	849
4E		647	830
4F		624	745
4G		609	806
4H		701	847

Unit	New Shares Allocated	Total Updated Shares	Square Feet
5A		660	781
5B		494	503
5C		756	1096
5D		715	849
5E		654	830
5F		630	745
5G		616	806
5H		707	847
6A		668	781
6B		500	503
6C		762	1096
6D		722	849
6E		660	830
6F		637	745
6G		633	806
6H		714	847
Gar1		50	
Gar2		50	
Gar3		50	
Gar4		50	
Gar5		50	
Gar6		50	
Gar7		50	
Gar8		50	
Gar9		50	
Gar10		50	
Gar11		50	
Gar12		50	
Gar13		50	
Total	**5,521**	**31,402**	

SCHEDULE C

POWER OF ATTORNEY

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

When your agent exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "Important Information for the Agent" at the end of this document describes your agent's responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can request information from your agent at any time. If you are revoking a prior Power of Attorney by executing this Power of Attorney, you should provide written notice of the revocation to your prior agent(s) and to the financial institutions where your accounts are located.

You can revoke or terminate your Power of Attorney at any time for any reason as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a "Health Care Proxy" to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us or www.assembly.state.ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

I (We) residing at _____ ("Principal") the owner of Condominium Unit No. ___ in the Condominium known as THE BEVERLY CONDOMINIUM covering the property located in the Borough and County of Queens, City and State of New York, do hereby nominate, constitute and appoint the Members of the Condominium Board of THE BEVERLY CONDOMINIUM located at 82-04 Lefferts Boulevard, Kew Gardens, New York 11415, and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, designate, constitute and appoint the Members of the Condominium Board of THE BEVERLY CONDOMINIUM and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf, the right to act in my behalf to take any and all action necessary against any tenant(s) that may be residing in my Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of THE BEVERLY CONDOMINIUM.

I (We) do hereby further irrevocably nominate, constitute and appoint 82-04 LEFFERTS TENANTS CORP. and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of Condominium of THE BEVERLY CONDOMINIUM permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium of THE BEVERLY CONDOMINIUM.

Terms used in this Power of Attorney, which are used in the Declaration submitted by 82-04 LEFFERTS TENANTS CORP., establishing a Plan for Condominium Ownership of the premises known as THE BEVERLY CONDOMINIUM under the Condominium Act (the "Declaration"), dated _____, 20___ and recorded in the Queens County.

Register's Office on _____, 20___ as CRFN _____ together with the Exhibits attached thereto, shall have the same meanings herein as in the Declaration.

This document does not revoke any power of attorney I/we have previously executed. In order to revoke a prior power of attorney, I/we will execute a revocation specifically referring to the power to be revoked.

Notwithstanding anything set forth herein to the contrary, this power of attorney is irrevocable and shall not be revoked by any subsequent power of attorney I/we may execute.

Whenever two or more powers of attorney are valid at the same time, the agents appointed on each shall act separately, unless specified differently in the documents.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this day of , 20___.

_____

_____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

STATE OF NEW YORK)ss
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

IMPORTANT INFORMATION FOR THE AGENTS:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

1. act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;

2. avoid conflicts that would impair your ability to act in the principal's best interest;

3. keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;

4. keep a record or all receipts, payments, and transactions conducted for the principal; and

5. disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (Your Signature) as Agent for (Principal's Name).

You may not use the principal's assets to benefit yourself or give major gifts to yourself or anyone else unless the principal has specifically granted you that authority in this Power of Attorney or in a Statutory Major Gifts Rider attached to this Power of Attorney. If you have that authority, you must act according to any instructions of the principal or, where there are no such instructions, in the principal's best interest. You may resign by giving written notice to the principal and to any co-agent, successor agent, monitor if one has been named in this document, or the principal's guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

Liability of agent:

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the Power of Attorney, you may be liable under the law for your violation.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____, Member of 82-04 LEFFERTS TENANTS CORP., have read the foregoing Power of Attorney. 82-04 LEFFERTS TENANTS CORP. is one of the entities identified therein as agent for the principal named therein. On behalf of 82-04 LEFFERTS TENANTS CORP., I acknowledge my/our legal responsibilities.

Agent(s) sign here:

82-04 LEFFERTS TENANTS CORP.

By:_____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____ of the Board of Managers of THE BEVERLY CONDOMINIUM have read the foregoing Power of Attorney. The Board of Managers of THE BEVERLY CONDOMINIUM is one of the entities identified therein as agent for the principal named therein. On behalf of the Board of Managers, I acknowledge our legal responsibilities.

Agent(s) sign here:

BOARD OF MANAGERS OF THE BEVERLY CONDOMINIUM

By:_____

STATE OF NEW YORK)
:ss
COUNTY OF)

On the day of in the year 20___, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

UNIT DEED

THIS INDENTURE made the ____ day of _____, 202_ between 82-04 Lefferts Tenants Corp.(**"Grantor"**) a corporation existing under the laws of the State of New York having a place of business at 82-04 Lefferts Boulevard, Kew Gardens, NY, and **«Vesting_As» ("Grantee")**, whose address is «MAILING_ADDRESS_STREET1», «MAIL_ADDRESS_CITYSTZIP1».

WITNESSETH:

That the Grantor, in consideration of Ten Dollars ($10.00), lawful money of the United States and other good and valuable consideration, paid by Grantee, does hereby grant and convey unto the Grantee, and the heirs and successors and assigns of the Grantee forever,

The Condominium Unit (the "Unit") known as 82-04 Lefferts Boulevard, Unit# «Unit», Kew Gardens, NY 11415, and legally described as **Unit # «Unit»** of **The Beverly Condominium** (the "Condominium") in the 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 "New York Condominium Act") dated _____ recorded in the Office of the City Register of New York Department of Finance (the "City Register's Office") on _____ as **City Register File No. (CRFN)** _____ and also designated as **Tax Lot** _____ in **Block** _____ of the Borough of Queens on the Tax Map of the Real Property Assessment Department of The City of New York and on the floor plans of said building certified by **Rich Galli, AIA**, and filed with the Real Property Assessment Department of the City of New York as **Condominium Plan No.** _____, and also filed in the City Register's Office on _____ as **City Register File No. (CRFN)** _____. The premises within which the Unit is located (the "Property") is more particularly described in Schedule A attached hereto and made a part hereof.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, and regulations and easements all as set forth in Declaration and the exhibits thereto (the "Condominium Documents") filed and recorded as aforesaid.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, and regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded or filed simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded or filed in the City Register's Office, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited at length herein.

SUBJECT TO the Proprietary Lease dated **«PROPRIETARY LEASE DATE»** between Grantor, as lessor, and Grantee, as lessee, encumbering the Unit which both the Grantor and Grantee agree and acknowledge is in full force and effect upon the conveyance of this Deed.

SUBJECT TO the loan from «Mortgage_Lender1» or its assigns with loan or account number «Lender1_Account_» which is currently secured with a UCC filing # «Lender1_Account_» recorded on _____.

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee forever.

AND the Grantor covenants that the Grantee has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Grantor, in compliance with Section 13 of the Lien Law covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

By acceptance of this deed, Grantee ratifies the provisions of the Declaration and the By-laws of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the City Register's Office and to comply with the rules and regulations of the Condominium.

This deed entitles the Grantee to have and to hold for its proper use and benefit forever the premises and all the premises are subject to as described in this document

The use for which the Unit is intended is that of residential occupancy subject to the applicable governmental regulations and the restrictions contained in the Declaration.

This conveyance was authorized by a vote of the shareholders of the Grantor a meeting duly noticed and called for that purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of the indenture so requires.

IN WITNESS WHEREOF, the Grantor has duly executed this deed and the Grantee acknowledges this deed, on the day and year first above written.

82-04 LEFFERTS TENANTS CORP.

By: _____
Chandra Kant Jain, President

_____
«VESTING1_NAME» , Grantee

_____
«VESTING2_NAME» , Grantee

STATE OF NEW YORK)
)SS.:
COUNTY OF QUEENS)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared **Chandra Kant Jain, the President of 82-04 Lefferts Tenants Corp., A New York Corporation**, 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 (s)he executed the same in his/her capacity, and that by his/her 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 QUEENS)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared **«VESTING1_NAME» ; «VESTING2_NAME»** , 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 (s)he executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary public

Prepared By:
82-04 Lefferts Tenants Corp.
82-04 Lefferts Boulevard
Kew Gardens, NY 11415

Block: 6606 Lot:

Return To:
Community Real Estate Services
190 Main Street, Suite 305
Hackensack, NJ 07601

Send Subsequent Tax Bills To:

ASSIGNMENT AND ASSUMPTION OF LESSOR'S INTEREST IN LEASE AND OCCUPANCY AGREEMENT AND MERGER OF ESTATES

KNOW ALL MEN BY THESE PRESENTS:

THAT FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the undersigned 82-04 Lefferts Tenants Corp.("Assignor"), does hereby transfer, set over and assign unto **«Vesting_As»** ("Assignee"), and Assignee assumes, to the extent set forth below, all of Assignor's right, title, interest, obligations and liabilities as Lessor in, to and under that certain Proprietary Lease dated **«PROPRIETARY_LEASE_DATE»** between Assignor (referred to as "Lessor" under the Proprietary Lease) to Assignee (referred to as "Lessee" under the Proprietary Lease), with respect to the property heretofore commonly known as 82-04 Lefferts Boulevard, Unit# «Unit», Kew Gardens, NY 11415 ("Property"), and legally described as **Unit # «Unit»** of The Beverly Condominium, Condominium No: _____, according to the Declaration recorded in the Office of the City Register of New York Department of Finance (the "City Register's Office") on _____ as **City Register File No. (CRFN)** _____.

TO HAVE AND TO HOLD, together with all the rights, privileges, appurtenances, immunities and indemnities thereto in anywise belonging or appertaining, unto the said Assignee, its successors and assigns forever.

1. Assignee accepts the foregoing assignment and assumes and agrees to be bound by and to perform and observe all of the obligations, covenants, terms and conditions to be performed or observed by Assignor under the Proprietary Lease arising on or after the date hereof. Assignee further agrees to indemnify Assignor and hold Assignor harmless from and against any and all claims, liens, damages, demands, causes of action, liabilities, lawsuits, judgments, losses, costs and expenses (including, without limitation, attorney's fees and expenses) asserted against or incurred by Assignor by reason of or arising out of any failure by Assignee to perform and observe such obligations, covenants, terms and conditions. Assignee herein warrants and represents that the Assignee is the exclusive owner of all rights, title and interest in and to the Proprietary Lease and shall indemnify, defend and hold harmless Assignor, its officers and directors, mangers and vendors, including The Hutton Group, Inc. and Community Real Estate Services, from any and all claims or demands from third parties in reference to such rights, title and interest.

2. Assignor agrees that it shall remain responsible for all obligations, covenants, terms and conditions kept and performed by Assignor under the Proprietary Lease arising before the date hereof.

Assignor further agrees to indemnify and hold Assignee harmless from and against any and all claims, liens, damages, demands, causes of action, liabilities, lawsuits, judgments, losses, costs and expenses (including, without limitation, attorney's fees and expenses) asserted against or incurred by Assignee by reason of or arising out of any failure by Assignor to have performed and observed such obligations, covenants, terms and conditions.

3. This Assignment and Assumption Agreement shall be construed in accordance with the laws of the State of New York. The provisions hereof shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

W I T N E S S E T H:

WHEREAS, pursuant to a unit deed, recorded concurrent herewith dated _____ ___, 20___ of Official Records (the "Deed") from Assignor herein, 82-04 Lefferts Tenants Corp., as grantor, conveyed to the Assignee as Grantee a fee simple interest in the Unit; and

WHEREAS, the Property, prior to becoming a unit in the Condominium Project, was leased by the Assignee pursuant to a certain Proprietary Lease as Lessor and Assignee as Lessee, under said Proprietary Lease;

WHEREAS, the conveyance of the Property to the Assignee by the Deed was made specifically subject to said Proprietary Lease;

WHEREAS, by an agreement herein, Lessor assigns to Assignee all of Lessor's interests in the Proprietary Lease;

WHEREAS, Assignee now owns and holds the fee simple estate in the Property subject to the interest of the Lessee under the Proprietary Lease and the leasehold estate in the Property as both Lessee and Lessor and now desires to effect the merger of such estates;

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, being all persons having an interest in any lease, leasehold estate and fee estate to the Property, agree that the leasehold estates and lease term in the Property shall be, and hereby are, merged with and extinguished in the fee simple estate of the Assignee in the Property.

IN TESTIMONY WHEREOF Assignor and Assignee have caused these presents to be signed this___ day of _____ _____.

ATTEST:

ASSIGNOR:

82-04 LEFFERTS TENANTS CORP.

By_____
Maurice Peress, Treasurer

By_____
Chandra Kant Jain, President

ASSIGNEE:

_____
«VESTING1_NAME»

_____
«VESTING2_NAME»

STATE OF NEW YORK)
)SS.:
COUNTY OF QUEENS)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared **Chandra Kant Jain, the President of 82-04 Lefferts Tenants Corp., A New York Corporation**, 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 (s)he executed the same in his/her capacity, and that by his/her 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 QUEENS)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared **Maurice Peress, the Treasurer of 82-04 Lefferts Tenants Corp., A New York Corporation**, 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 (s)he executed the same in his/her capacity, and that by his/her 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 QUEENS)

On the _____ day of _____ in the year 20___ before me, the undersigned, a Notary Public in and for said State, personally appeared **«VESTING2_NAME»; «VESTING2_NAME»**, 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 (s)he executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary public

Prepared By:
82-04 Lefferts Tenants Corp.
82-04 Lefferts Boulevard
Kew Gardens, NY 11415

Block: _____ **Lot:** _____

Return To:

Community Real Estate Services
190 Main Street, Suite 305
Hackensack, NJ 07601

Send Subsequent Tax Bills To:
Grantee

Standard N. Y. B. T. U. Form 8002 Bargain and Sale Deed, with Covenant against Grantor's Acts-Individual or Corporation (Single Sheet)

CONSULT YOUR LAWYER BEFORE SIGNING THIS INSTRUMENT—THIS INSTRUMENT SHOULD BE USED BY LAWYERS ONLY.

N4511
9970

REEL 2015 PG 289

THIS INDENTURE, made the 11th day of February, nineteen hundred and eighty-six

BETWEEN Alizio Realty Company, a New York general partnership with offices at 1600 Shames Drive, Westbury, New York

party of the first part, and

82-04 Lefferts Tenants Corp., a New York corporation with offices at 82-04 Lefferts Boulevard, Kew Gardens, New York

party of the second part,

WITNESSETH, that the party of the first part, in consideration of ten dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Queens, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Beverly Street with the westerly side of Lefferts Boulevard; RUNNING THENCE southerly along the westerly side of Lefferts Boulevard, 35.77 feet to a point of curve; THENCE southerly still along the westerly side of Lefferts Boulevard on a curve bearing to the left, having a radius of 1008.217 feet, a distance along said curve of 97.52 feet; THENCE westerly and parallel with the southerly side of Beverly Street, 108.66 feet; THENCE northerly at right angles to the southerly side of Beverly Street 50 feet; THENCE easterly and parallel with the southerly side of Beverly Street, 55.31 feet; THENCE northerly at right angles to the southerly side of Beverly Street, 80 feet to the southerly side of Beverly Street; THENCE easterly along the southerly side of Beverly Street, 82.46 feet to the corner at the point or place of BEGINNING. Said premises being known as 82-04 Lefferts Boulevard, Kew Gardens, New York.

Subject to covenants and restriction in Liber 1443 cp 401 and Liber 2749 cp 330 as modified by Liber 3868 cp 1 and judgment entered 7/20/31 ub Supreme Court, Queens County.

Subject to telepone easement in Liber 1824 cp 138.

Subject to an existing mortgage held by Northside Savings Bank in the reduced principal sum of $398,594.86

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.
AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.
The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

ALIZIO REALTY COMPANY

By _____
ANTHONY ALIZIO, Partner

_____
JOSEPH ALIZIO, Partner

State of New York)ss.: REEL 2045 PG 290
County of New York
On this 11 day of February , 1986, before me personally came
ANTHONY ALIZIO
to me known to be the person who executed the foregoing instrument, and who, being duly sworn by me, did depose and say that he is a member of the firm, of ALIZIO REALTY COMPANY a co-partnership, and that he executed the foregoing instrument in the firm name of ALIZIO REALTY COMPANY and that he had authority to sign the same, and he acknowledged to me that he executed the same as the act and deed of said firm for the uses and purposes therein mentioned.

JOHN PEREZ
Notary Public, State of New York
No. 03-4772169
Qualified in Bronx County
Commission Expires March 30, 1986

State of New York)ss.:
County of New York
On this 11 day of February , 1986, before me personally came
JOSEPH ALIZIO
to me known to be the person who executed the foregoing instrument, and who, being duly sworn by me, did depose and say that he is a member of the firm, of ALIZIO REALTY COMPANY a co-partnership, and that he executed the foregoing instrument in the firm name of ALIZIO REALTY COMPANY and that he had authority to sign the same, and he acknowledged to me that he executed the same as the act and deed of said firm for the uses and purposes therein mentioned.

JOHN PEREZ
Notary Public, State of New York
No. 03-4772169
Qualified in Bronx County
Commission Expires March 30, 1986

Bargain and Sale Deed
WITH COVENANT AGAINST GRANTOR'S ACTS

TITLE NO. : FMQ-0622-A

ALIZIO REALTY COMPANY

TO
82-04 Lefferts Tenants Corp.

SECTION
BLOCK 3330
LOT 33
COUNTY OR TOWN Queens

PREMISES: 82-04 LEFFERTS BLVD.

RECORDED AT REQUEST OF
FIRST MANHATTAN ABSTRACT CORP.

RETURN BY MAIL TO:
Allen, Morris & Troisi, PC
230 Park Avenue
New York, New York 10169

OFFICE OF CITY REGISTER
Queens County
Zip No.

STANDARD FORM OF NEW YORK BOARD OF TITLE UNDERWRITERS
Distributed by
SAFECO Title Insurance Company of New York
INCORPORATED 1926 IN NEW YORK

15557

RECORDED
Witness my hand
and official seal

R. Wallace Dwyer
CITY REGISTER

RESERVE THIS SPACE FOR USE OF RECORDING OFFICE

RECORDED
REAL ESTATE
MAR 19 1986
TRANSFER TAX
QUEENS
COUNTY

16755

REC'D MAR 19 P. 12 18

REC. FEE A12 9970

5330

SCHEDULE E

FEE TITLE DESCRIPTION

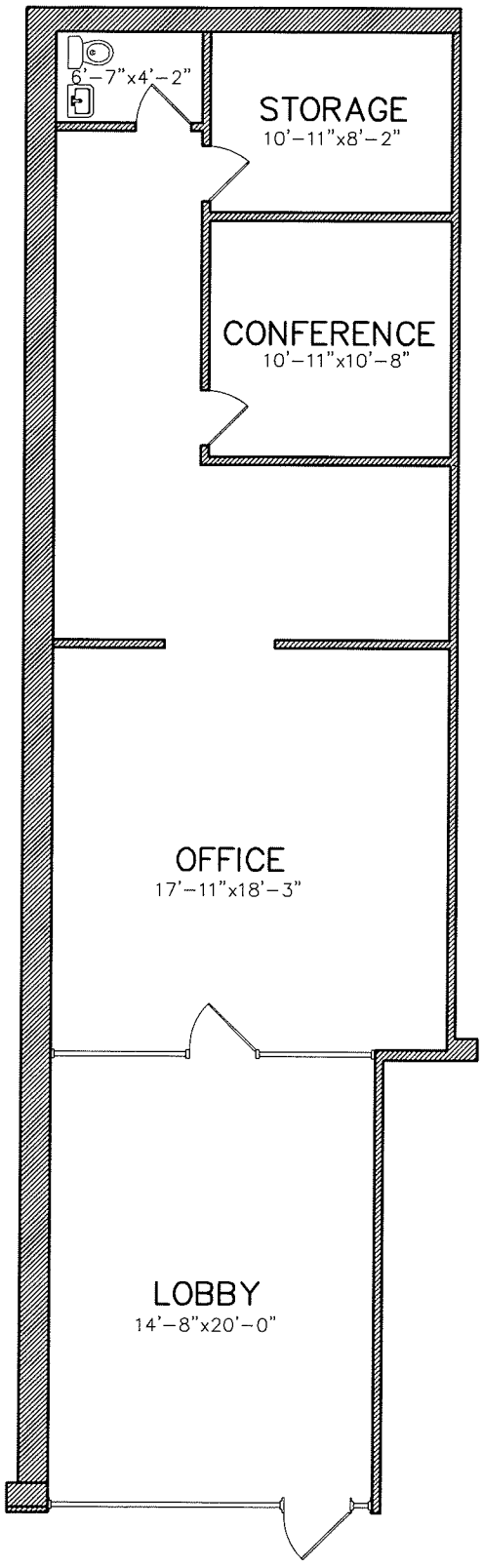
A "Residential and Parking Space Unit" as hereinafter referred to shall be defined as follows:

Each Residential Unit shall consist of the area enclosed horizontally by the exterior side of the exterior walls of the Building and by the centerline of those walls and partitions which separate the Residential Unit from the corridors, stairs, mechanical equipment spaces and other Residential Units, and enclosed vertically by the top of the concrete slab floor, underneath the Residential Unit's finished flooring and under side of the concrete slap above. The doors and windows which open from the Residential Unit shall be deemed part of the Residential Unit. No Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Residential Unit which are utilized for or serve more than one (1) Residential Unit. The Description of Residential Units set forth herein pertains to the location of the walls, floors and roof of the Residential Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

Each Parking Space Unit consists of the area contained within the painted lines of the parking space.

SCHEDULE F FLOOR PLANS

THE BEVERLY CONDOMINIUM



RETAIL A

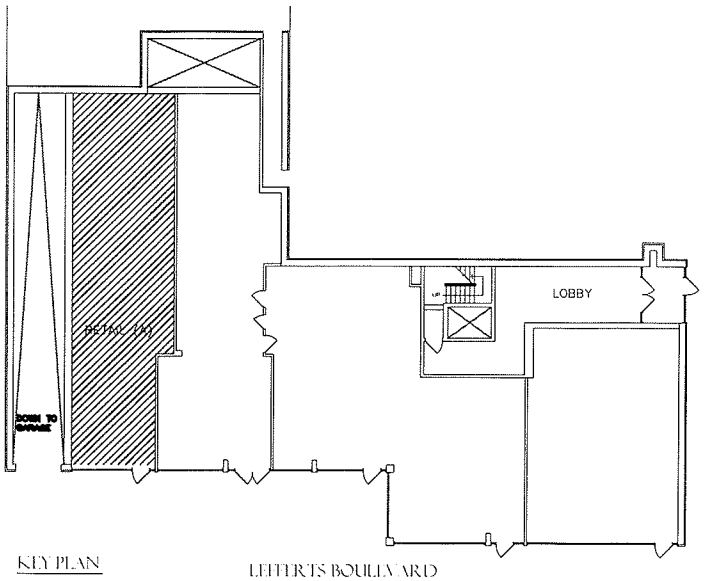
FIRST FLOOR
1217 SQ.FT
SOUTH SIDE OF BUILDING

N

82-4 LEFFERTS BLVD.

KEW GARDENS, NEW YORK

0 5 10 20

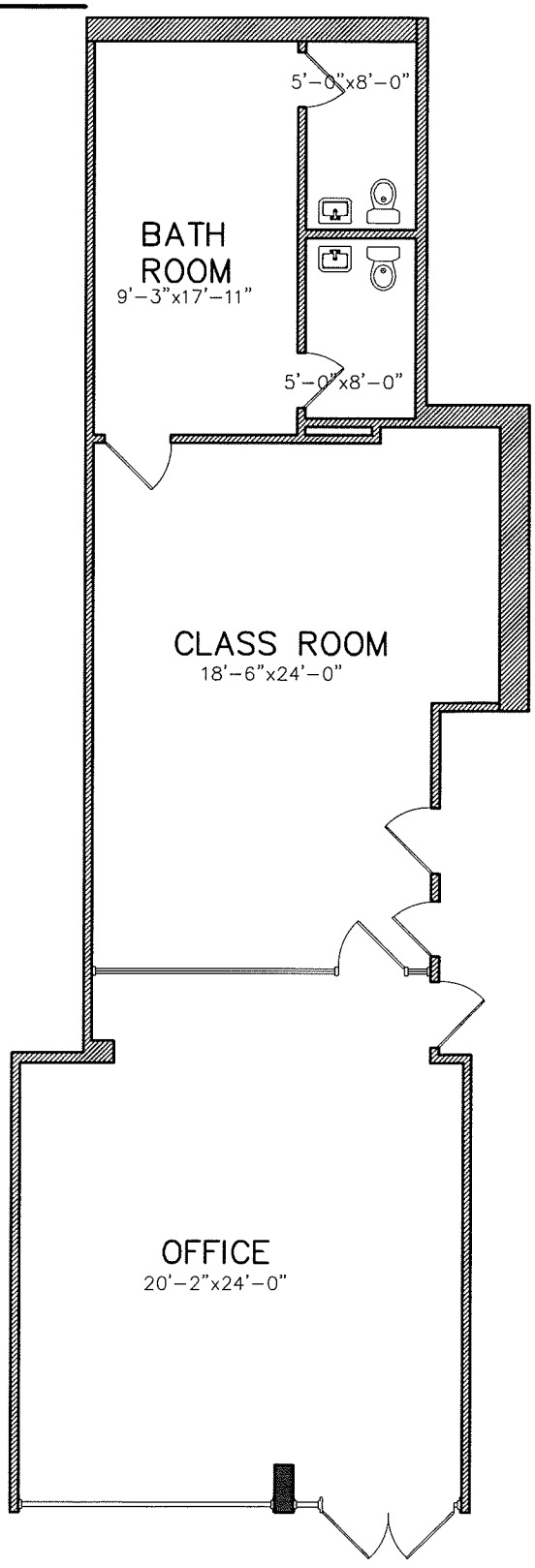


KEY PLAN

LEFFERTS BOULEVARD

01-09-18

THE BEVERLY CONDOMINIUM



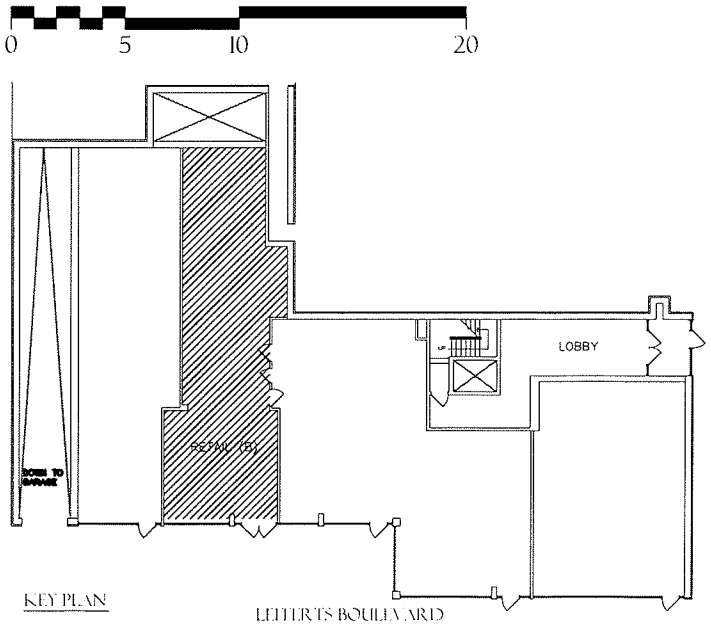
RETAIL B

FIRST FLOOR
1240 SQ.FT
NORTH SIDE OF BUILDING

N

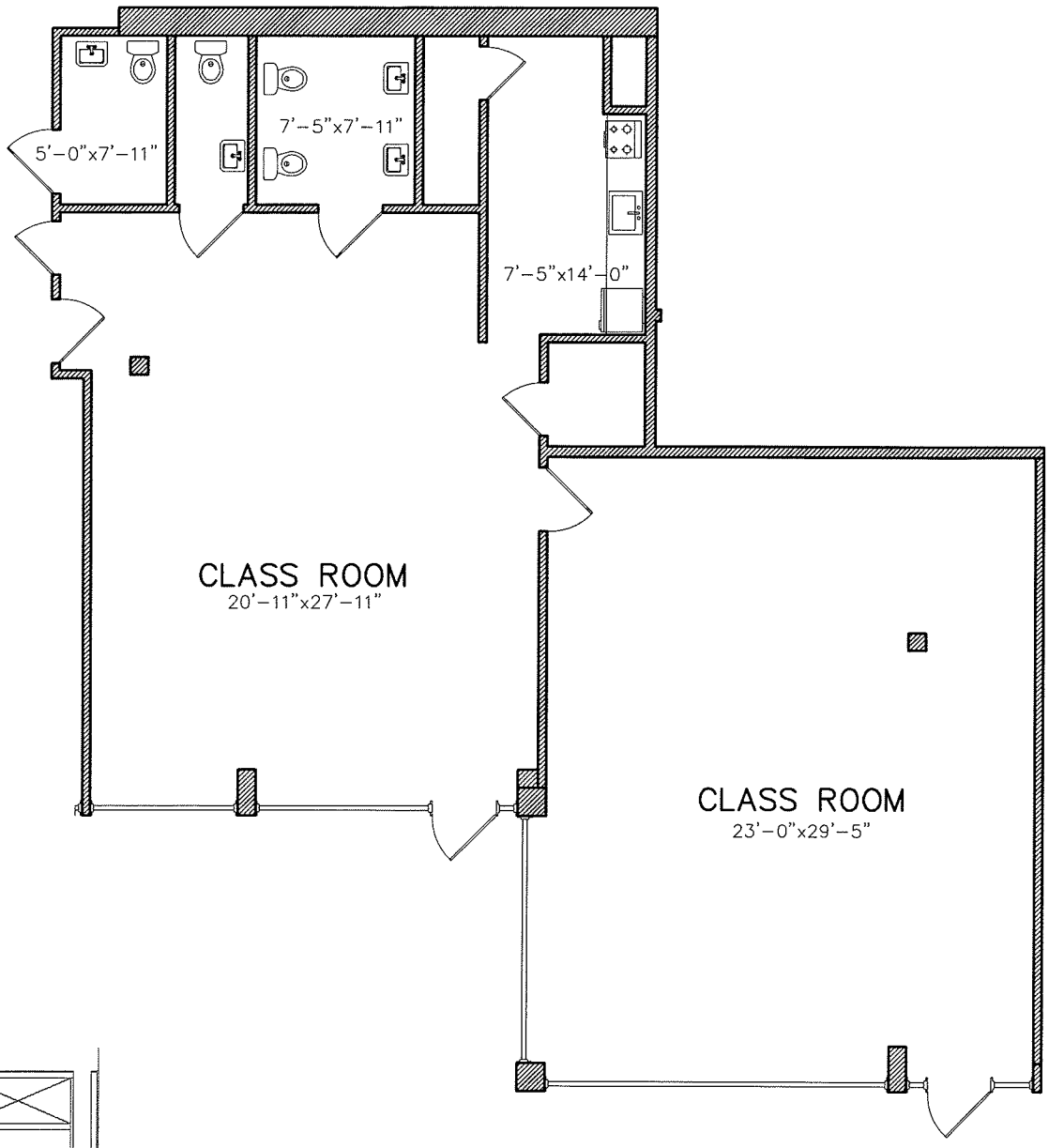
82-4 LEFFERTS BLVD.

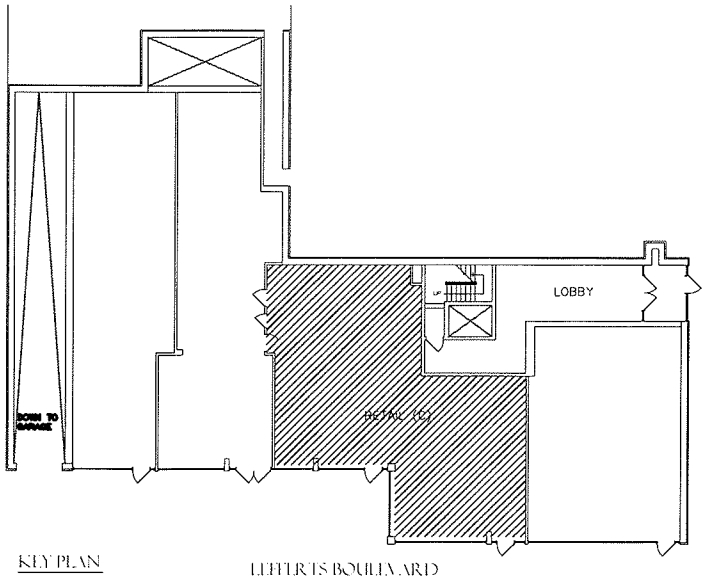
KEW GARDENS, NEW YORK



01-09-18

THE BEVERLY CONDOMINIUM





RETAIL C

FIRST FLOOR
1642 SQ.FT
NORTH SIDE OF BUILDING

N

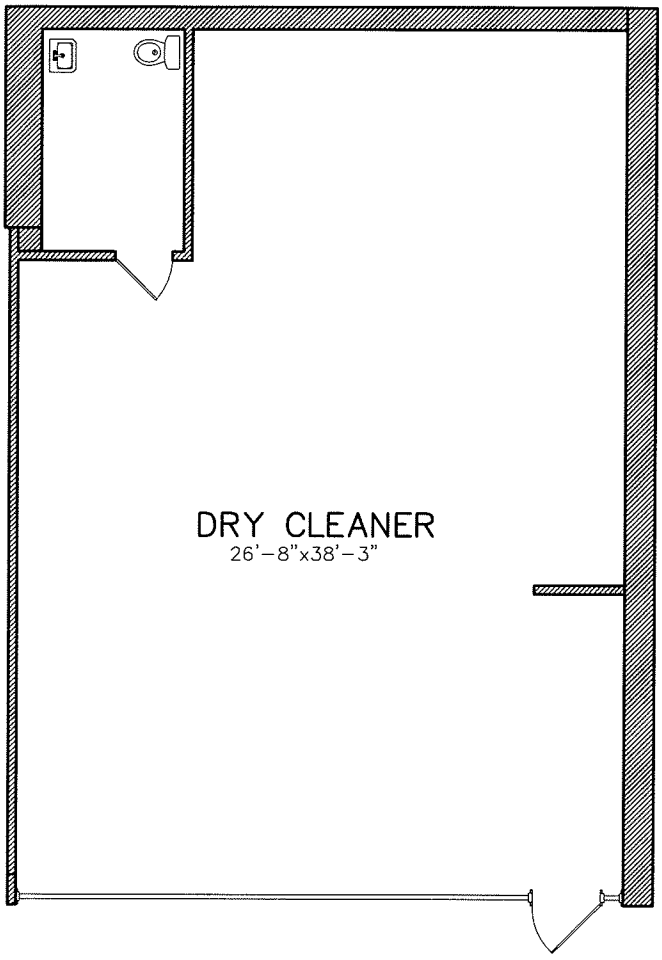
82-4 LEFFERTS BLVD.

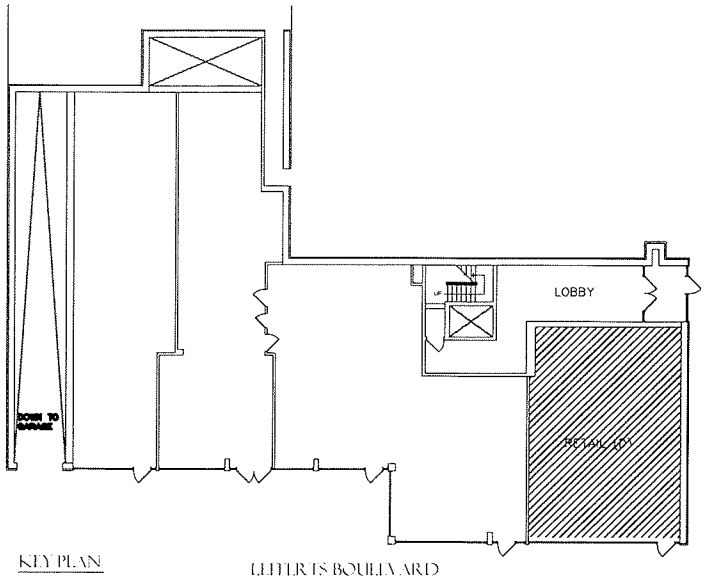
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

RETAIL D

FIRST FLOOR
1100 SQ.FT
NORTH SIDE OF BUILDING

N

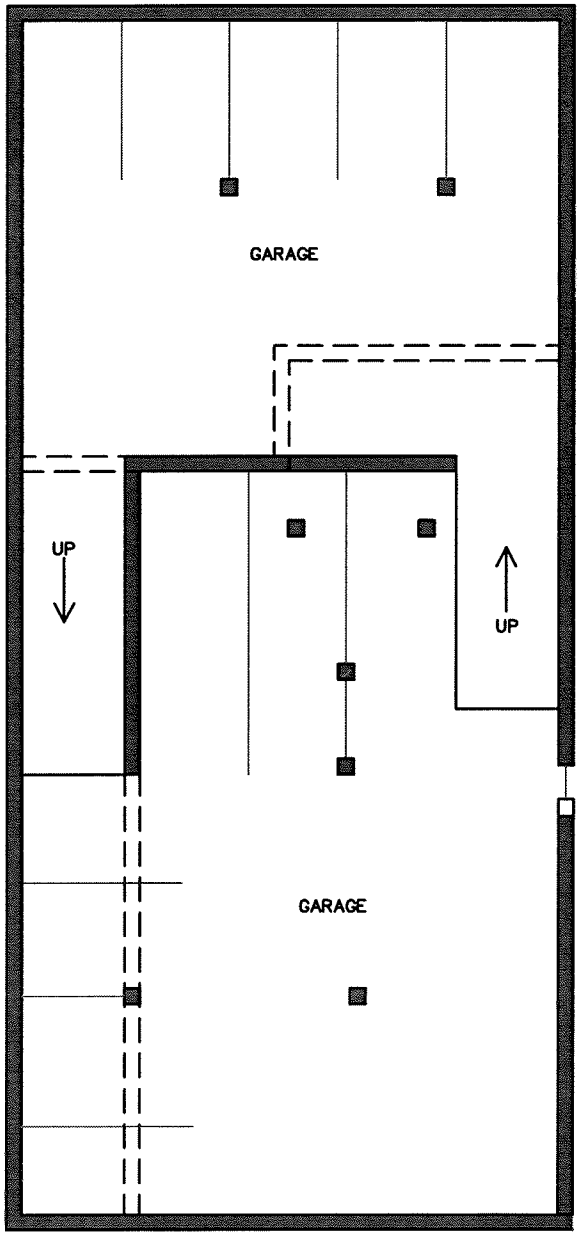
82-4 LEFFERTS BLVD.

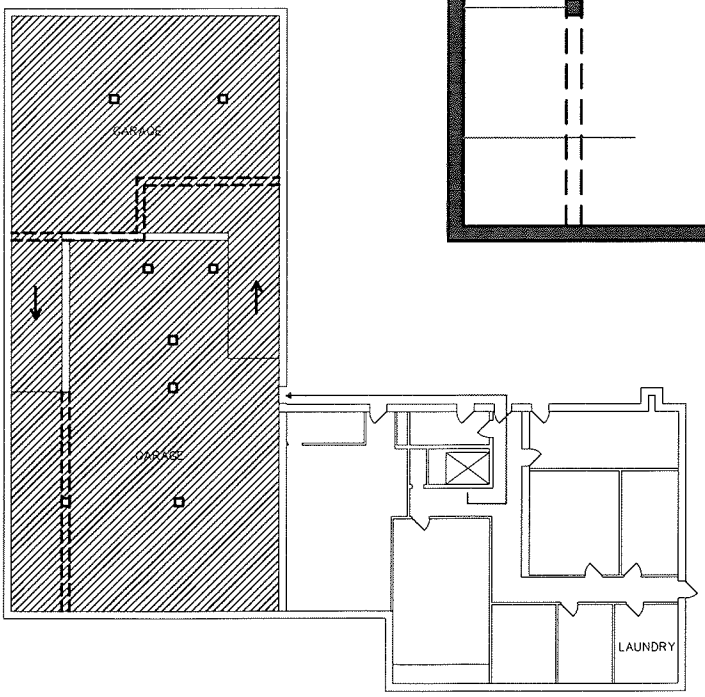
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





GARAGE

CELLAR FLOOR
5394 SQ.FT
SOUTH SIDE OF BUILDING

N

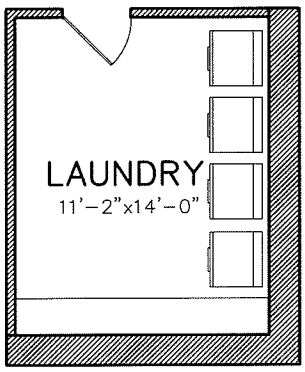
82-4 LEFFERTS BLVD.

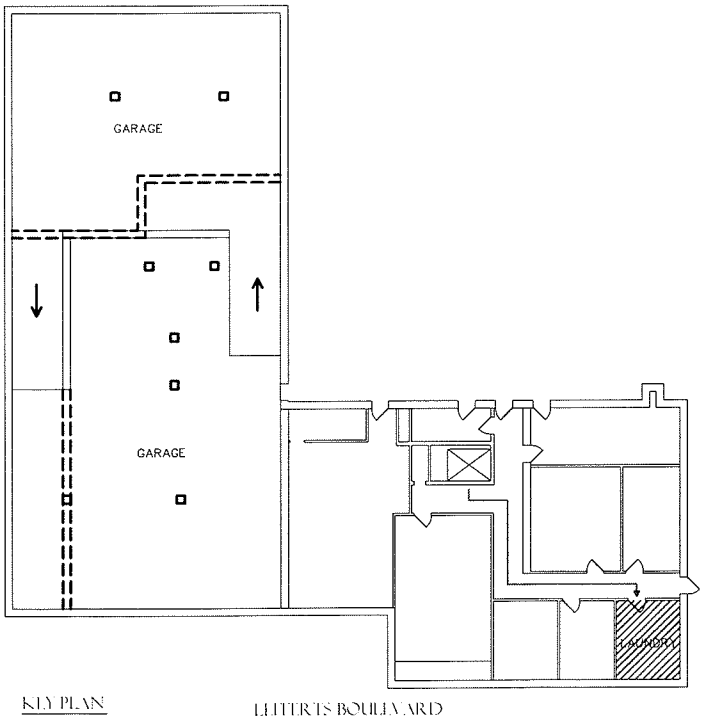
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

LAUNDRY

CELLAR FLOOR
195 SQ.FT
NORTH SIDE OF BUILDING

N

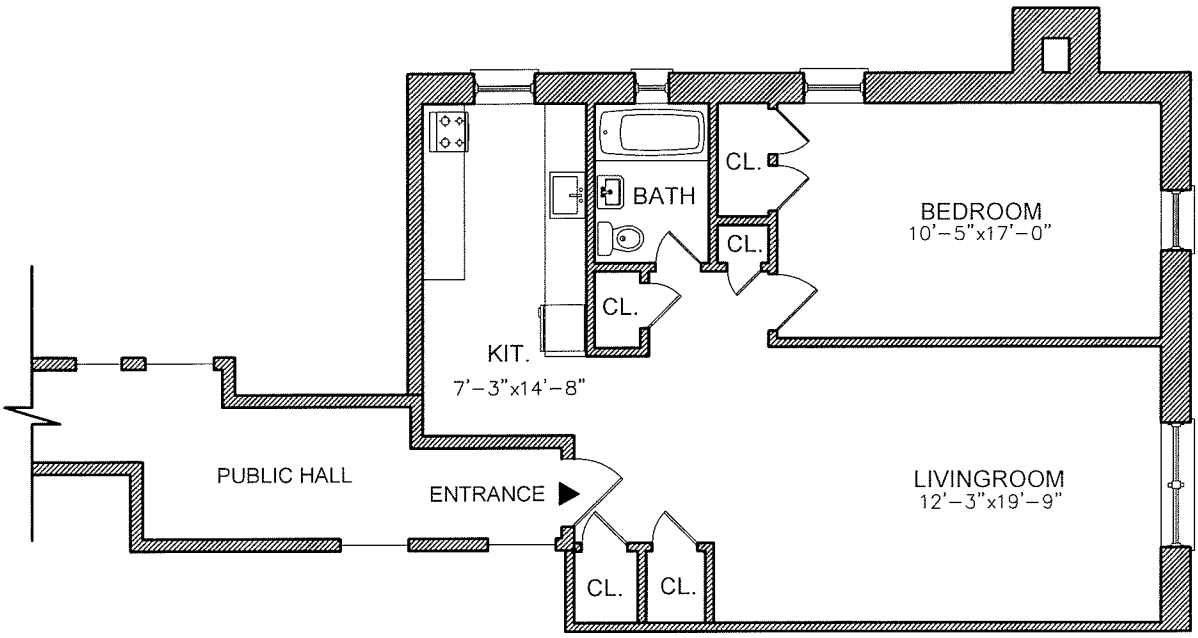
82-4 LEFFERTS BLVD.

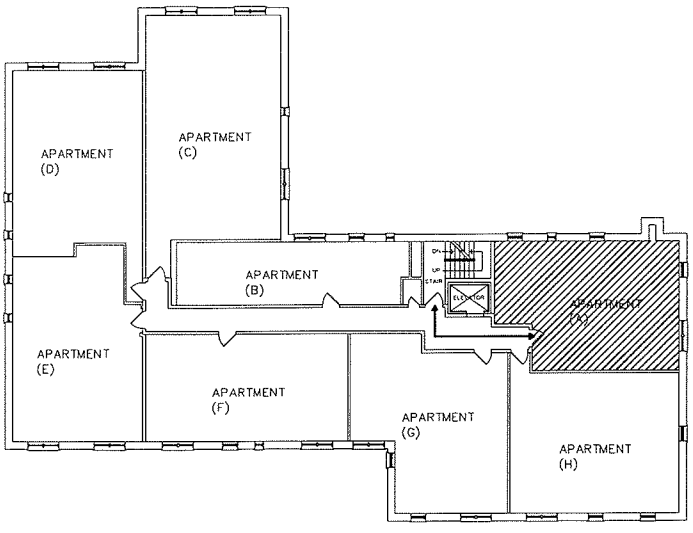
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT A

SECOND FLOOR

781 SQ.FT

NORTH SIDE OF BUILDING

82-04 LEFFERTS BLVD.

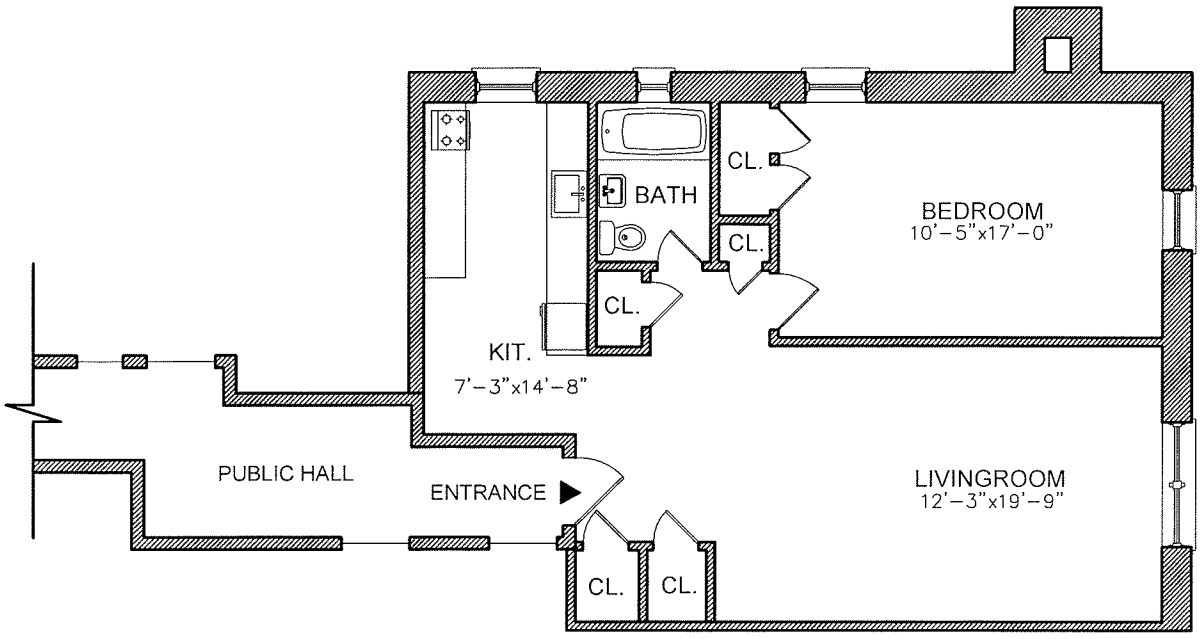
KEW GARDENS, NEW YORK

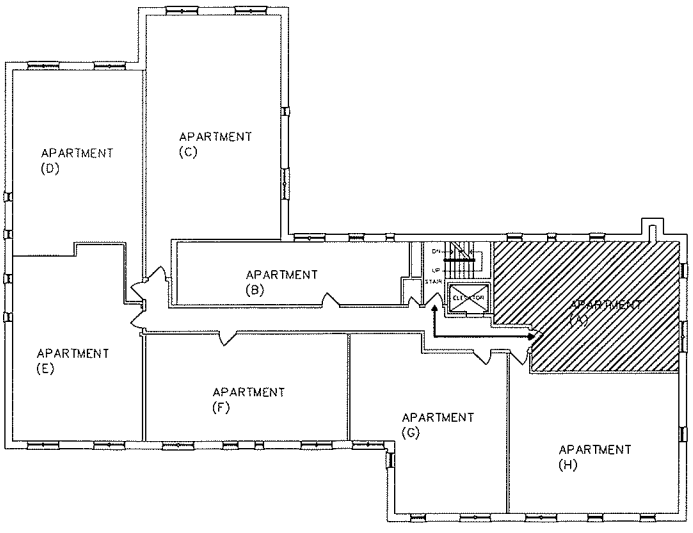
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0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT A

THIRD FLOOR

781 SQ.FT

NORTH SIDE OF BUILDING

82-04 LEFFERTS BLVD.

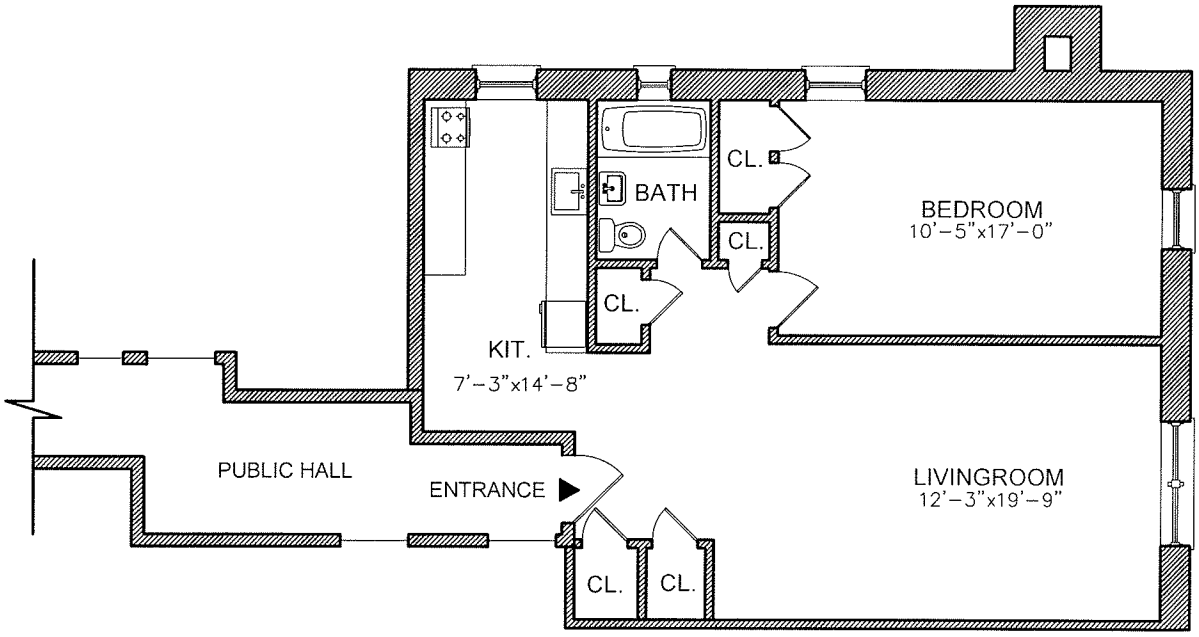
KEW GARDENS, NEW YORK

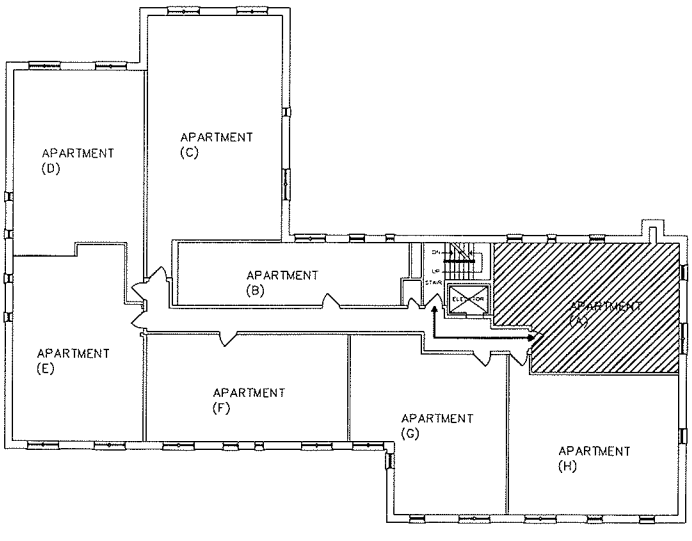
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0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





UNIT A

FOURTH FLOOR

781 SQ.FT

NORTH SIDE OF BUILDING

82-04 LEFFERTS BLVD.

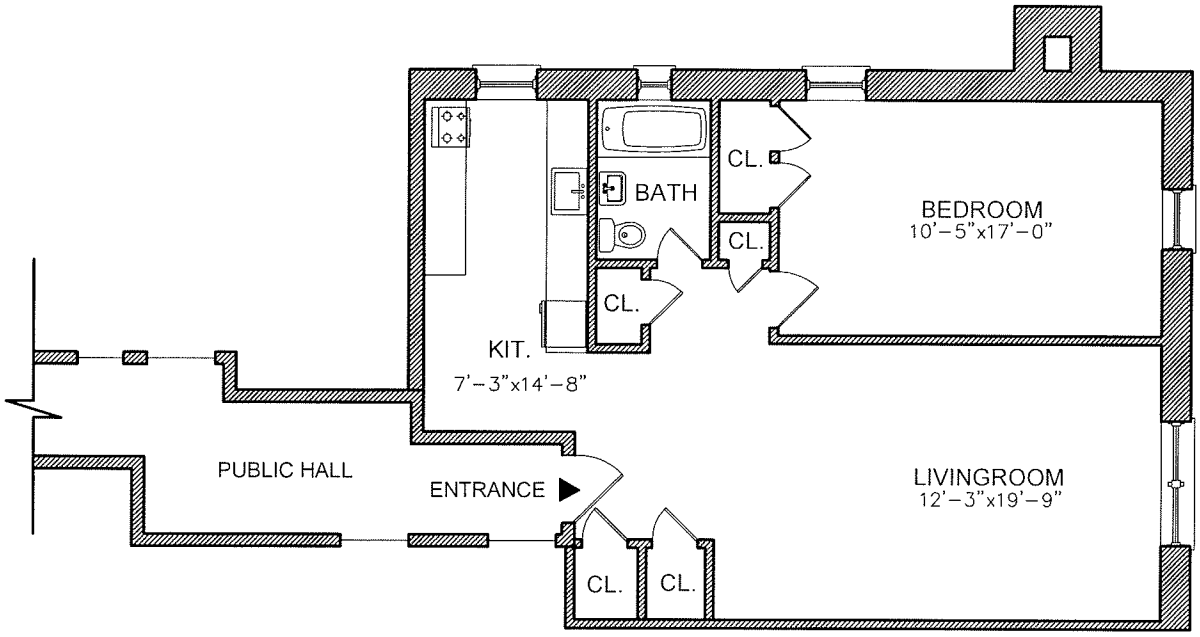
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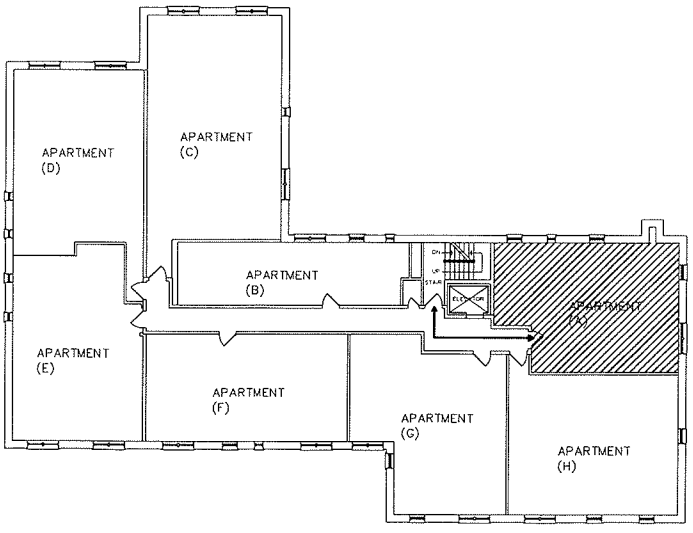
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0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT A

FIFTH FLOOR

781 SQ.FT

NORTH SIDE OF BUILDING

82-04 LEFFERTS BLVD.

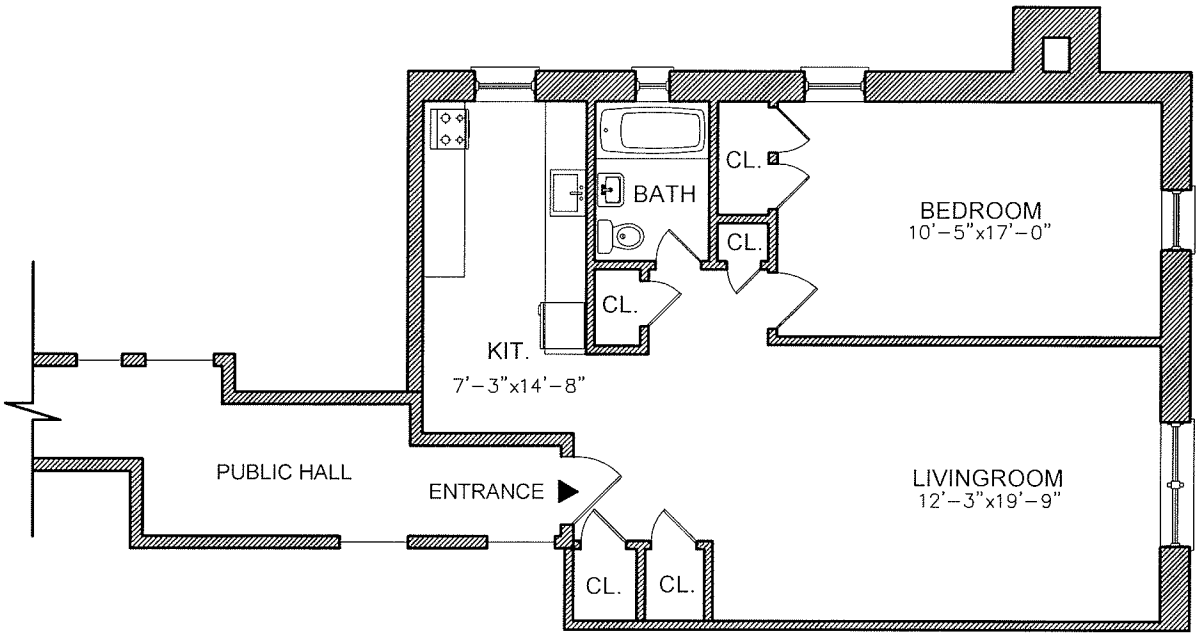
KEW GARDENS, NEW YORK

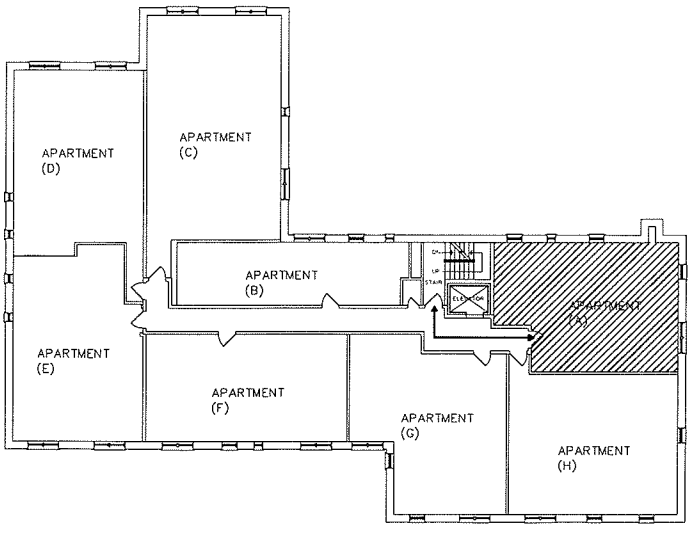
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THE BEVERLY CONDOMINIUM





UNIT A

SIXTH FLOOR

781 SQ.FT

NORTH SIDE OF BUILDING

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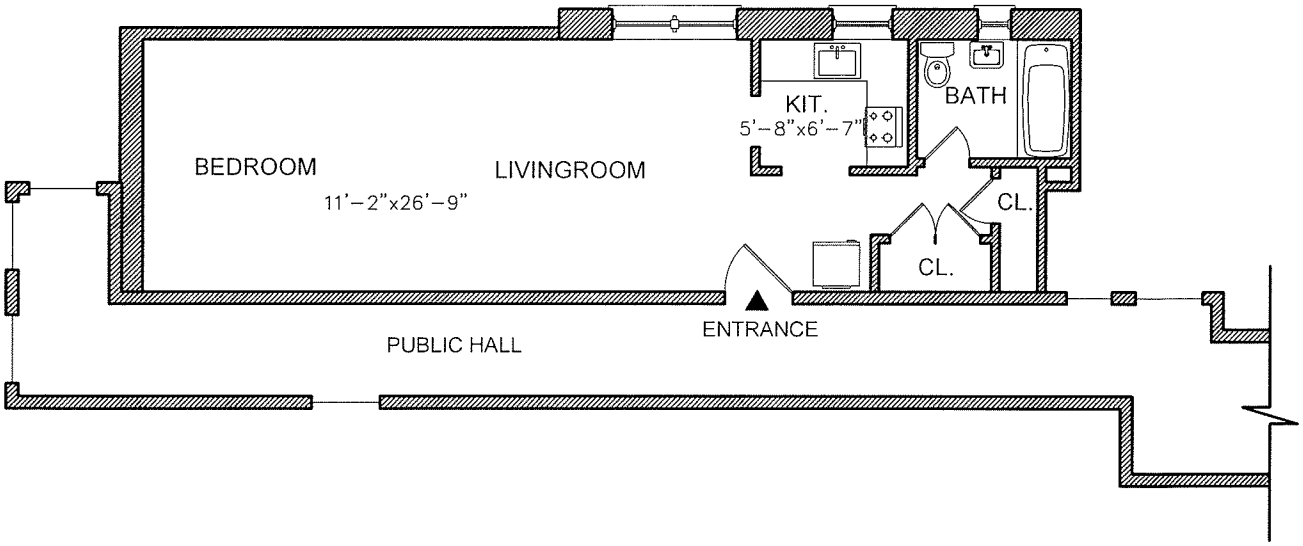
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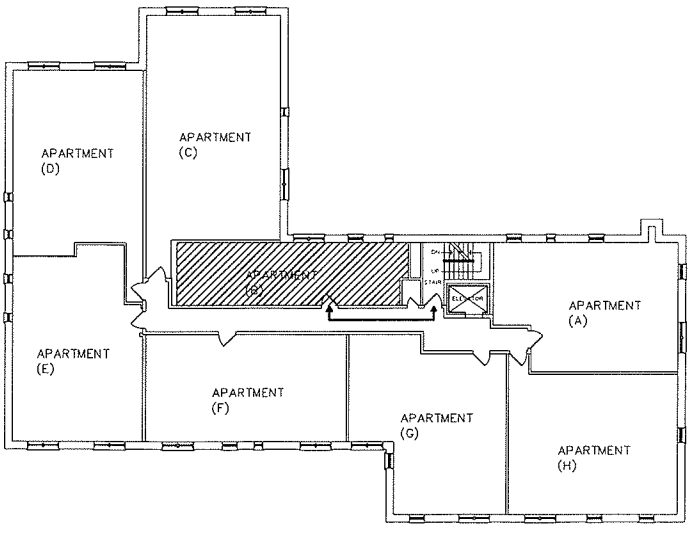
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THE BEVERLY CONDOMINIUM





UNIT B

SECOND FLOOR

503 SQ.FT

WEST SIDE OF BUILDING

N

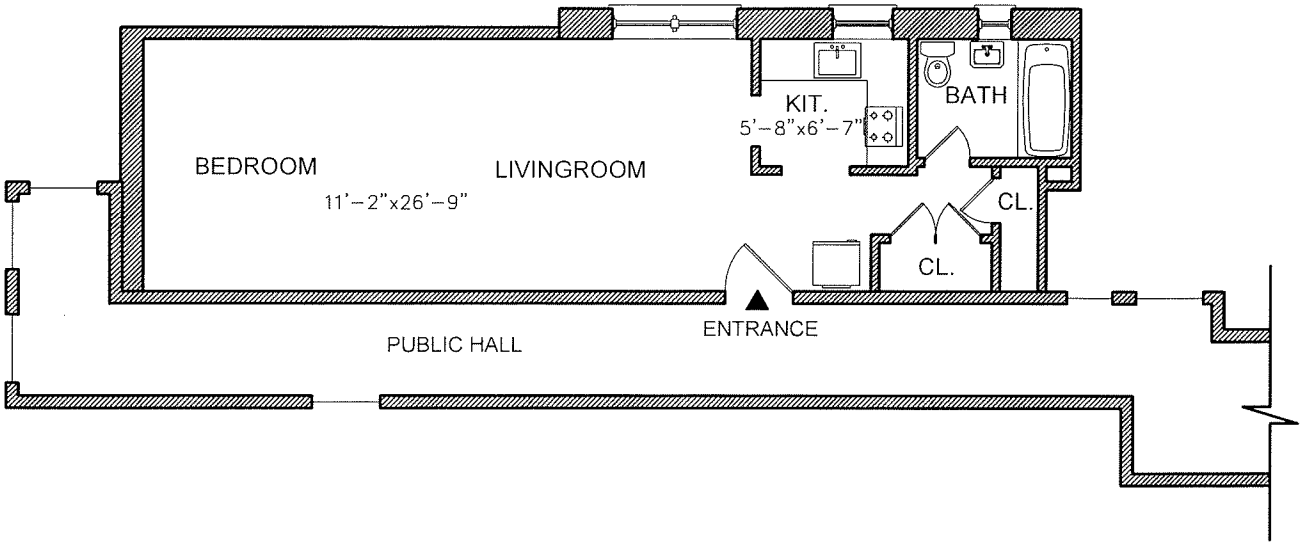
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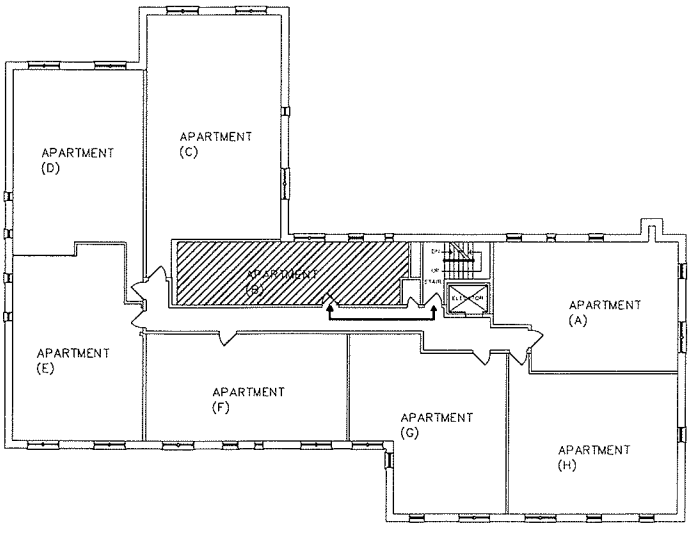
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





UNIT B

THIRD FLOOR

503 SQ.FT

WEST SIDE OF BUILDING

N

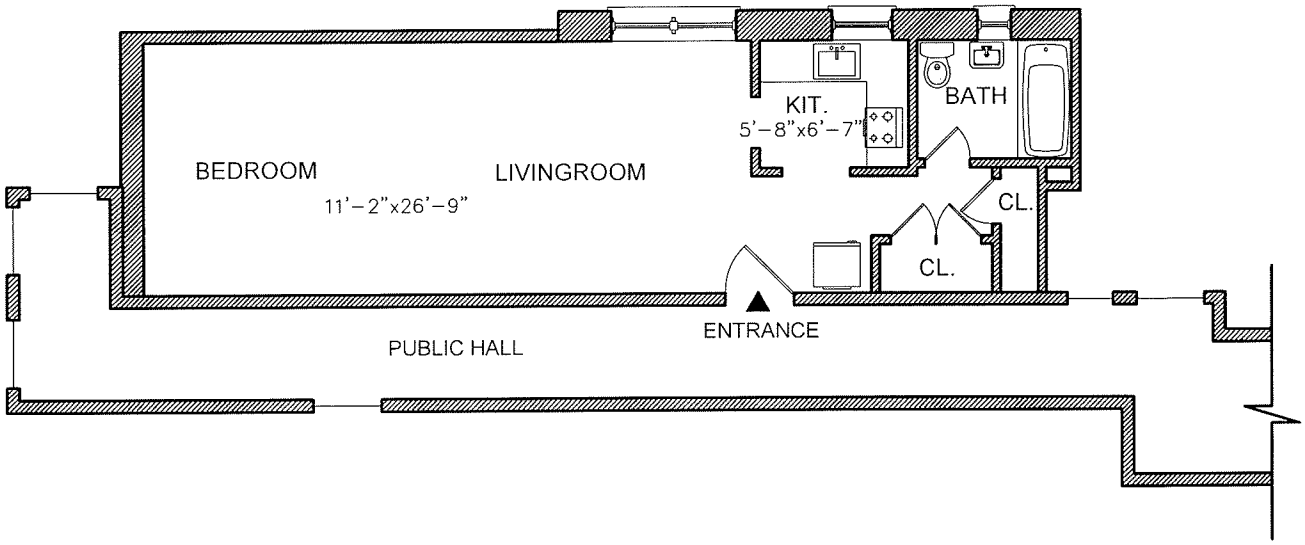
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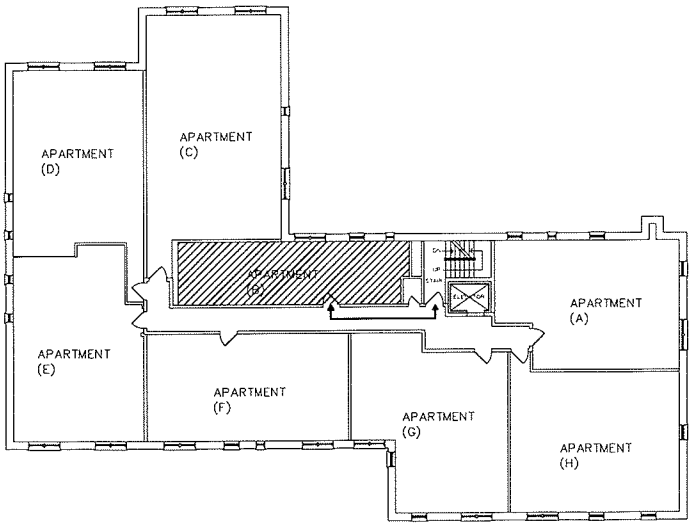
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





UNIT B

FOURTH FLOOR

503 SQ.FT

WEST SIDE OF BUILDING

N

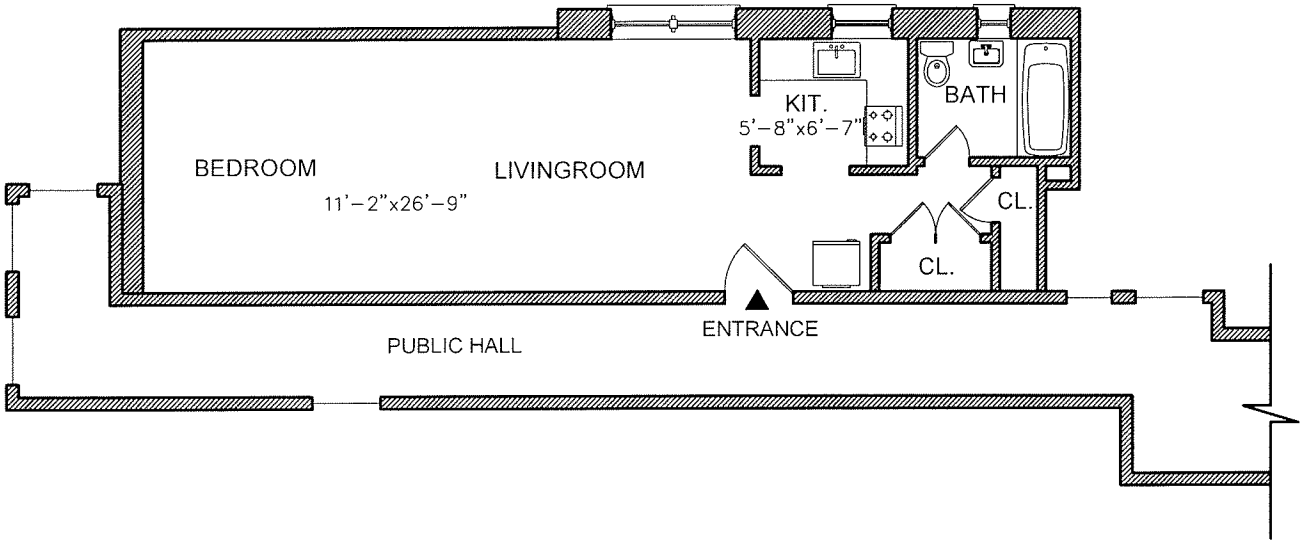
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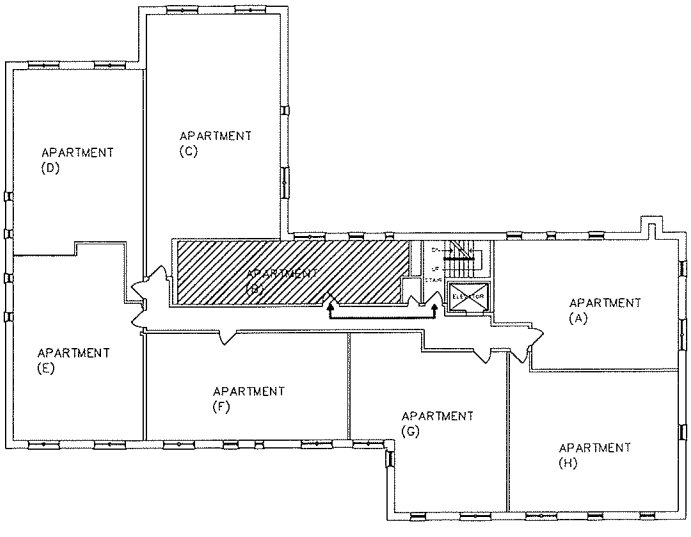
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





UNIT B

FIFTH FLOOR

503 SQ.FT

WEST SIDE OF BUILDING

N

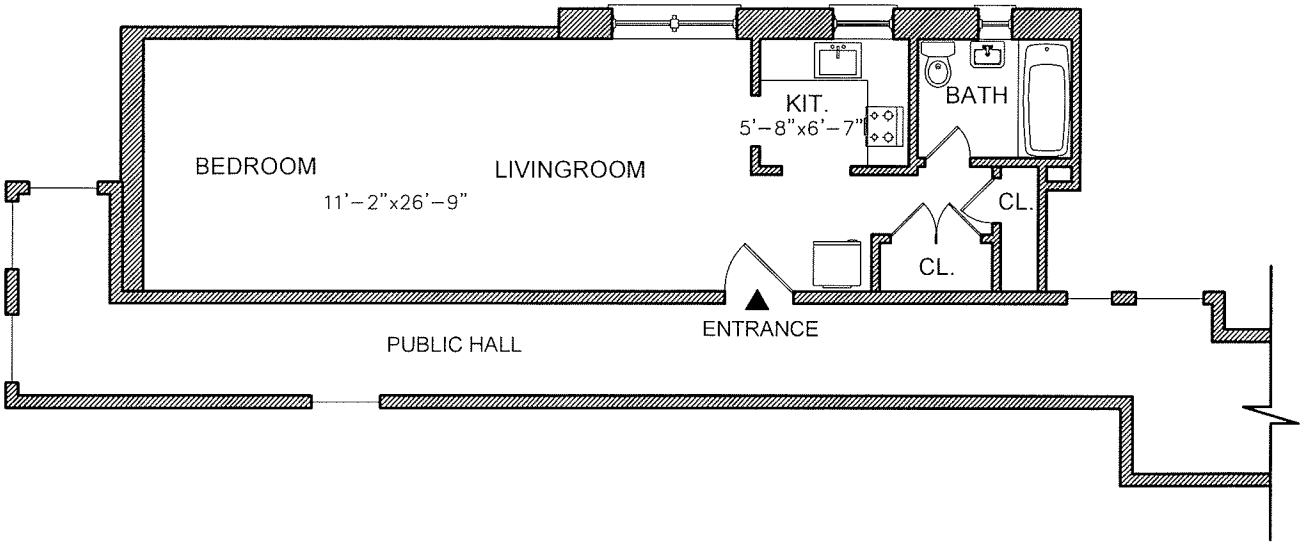
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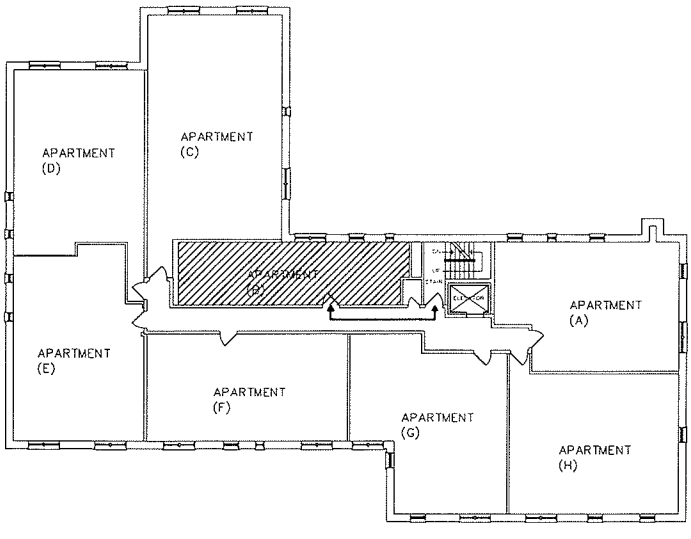
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





UNIT B

SIXTH FLOOR

503 SQ.FT

WEST SIDE OF BUILDING

N

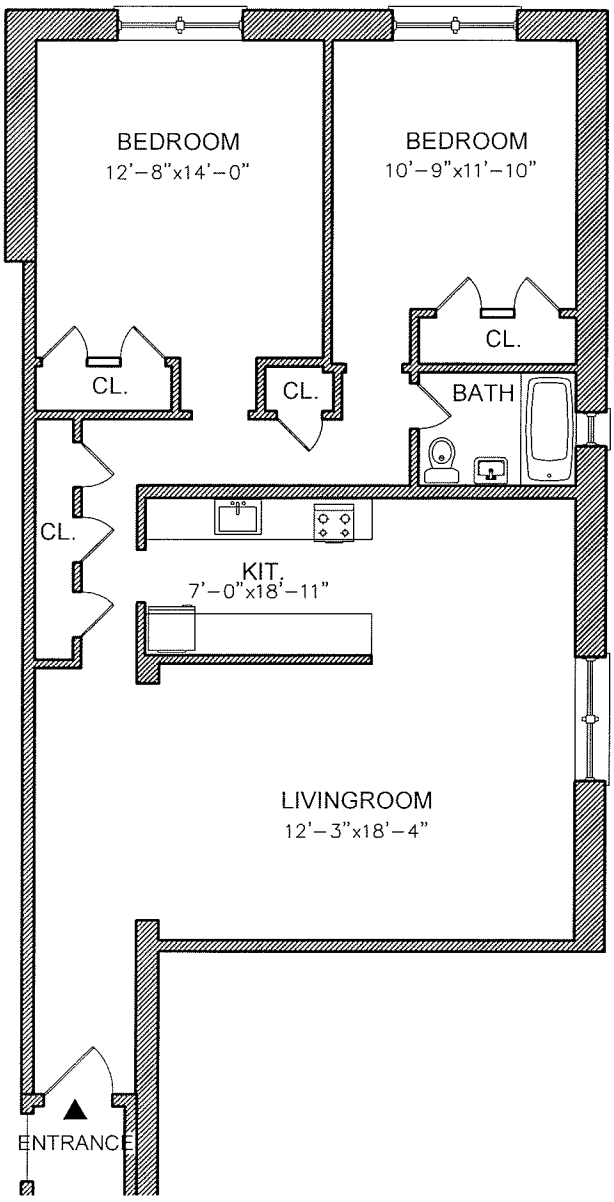
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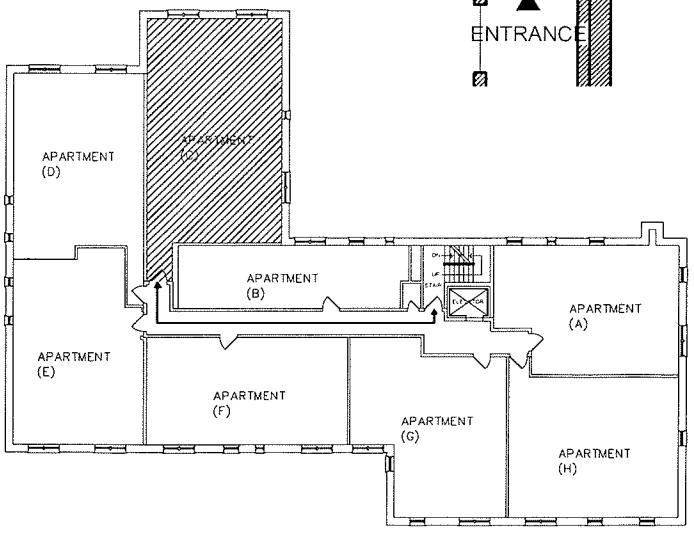
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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT C

SECOND FLOOR

1096 SQ.FT

WEST SIDE OF BUILDING

N

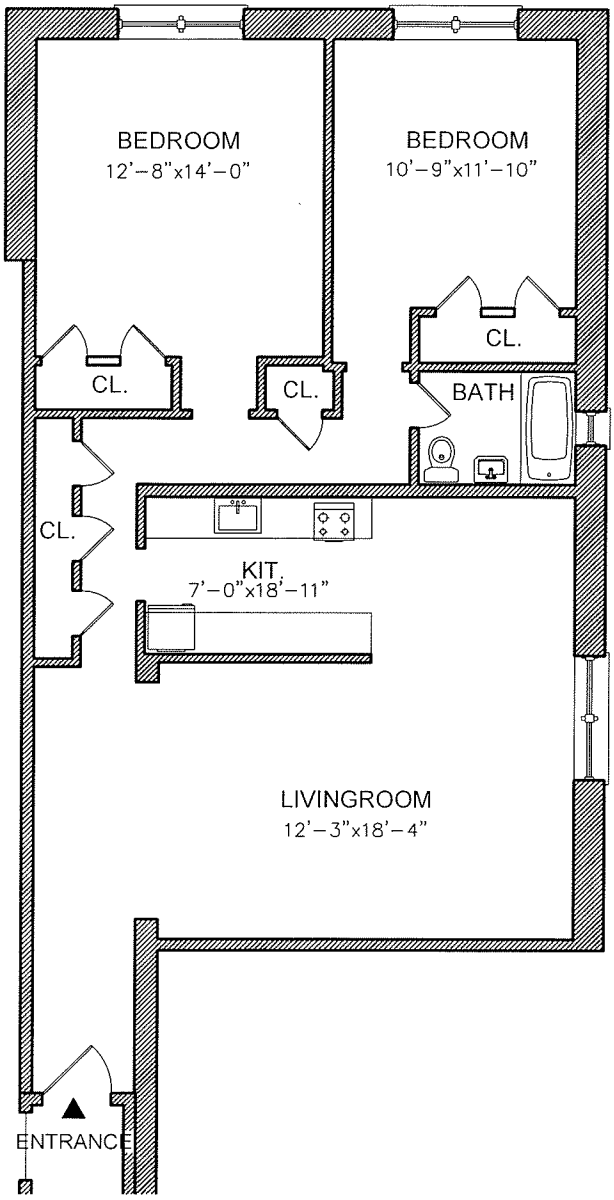
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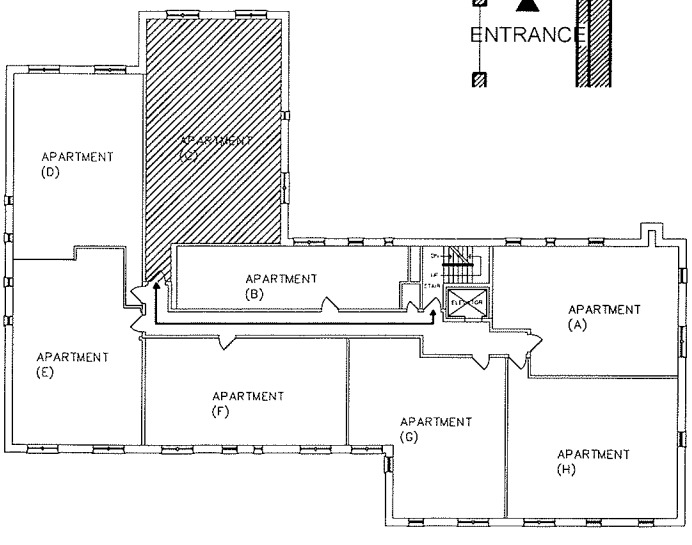
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THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT C

THIRD FLOOR

1096 SQ.FT

WEST SIDE OF BUILDING

N

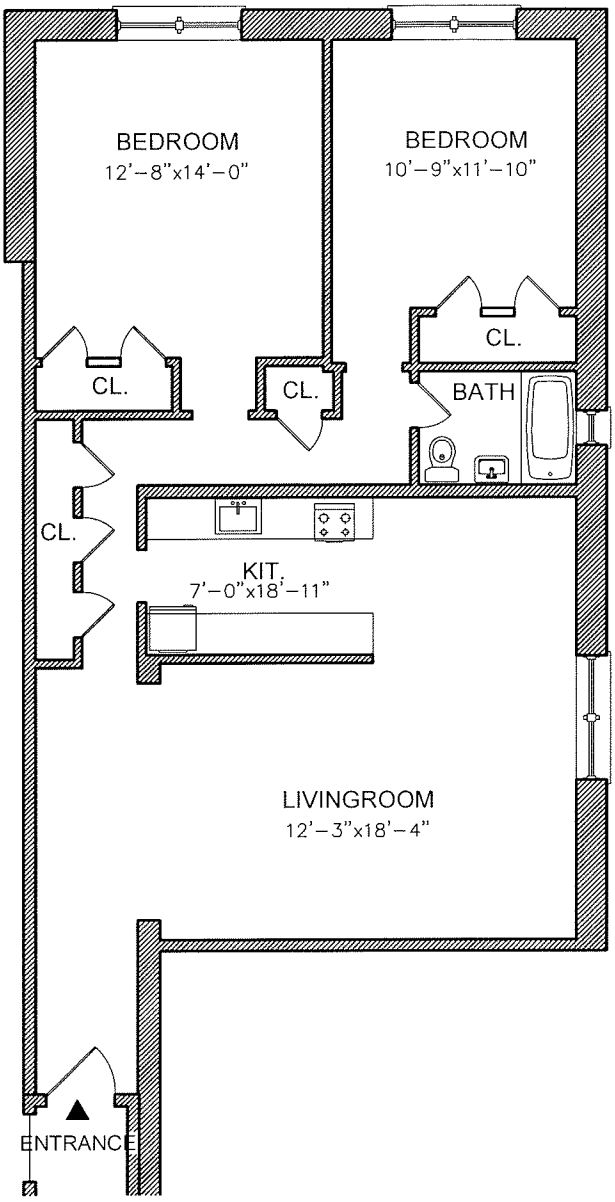
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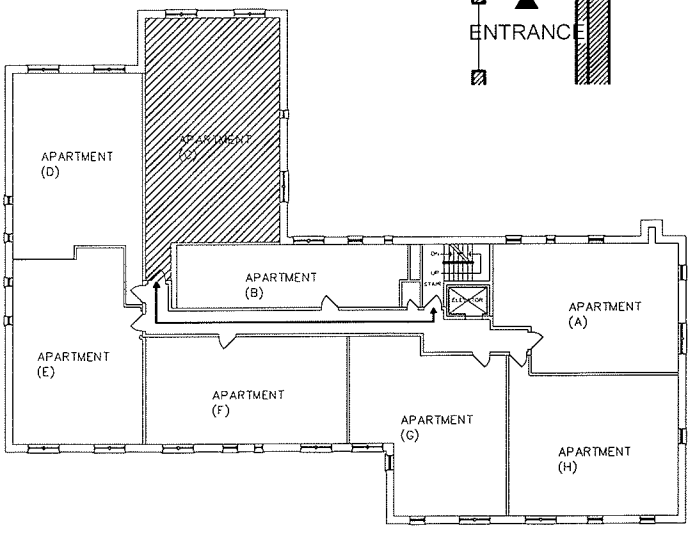
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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT C

FOURTH FLOOR

1096 SQ.FT

WEST SIDE OF BUILDING

82-4 LEFFERTS BLVD.

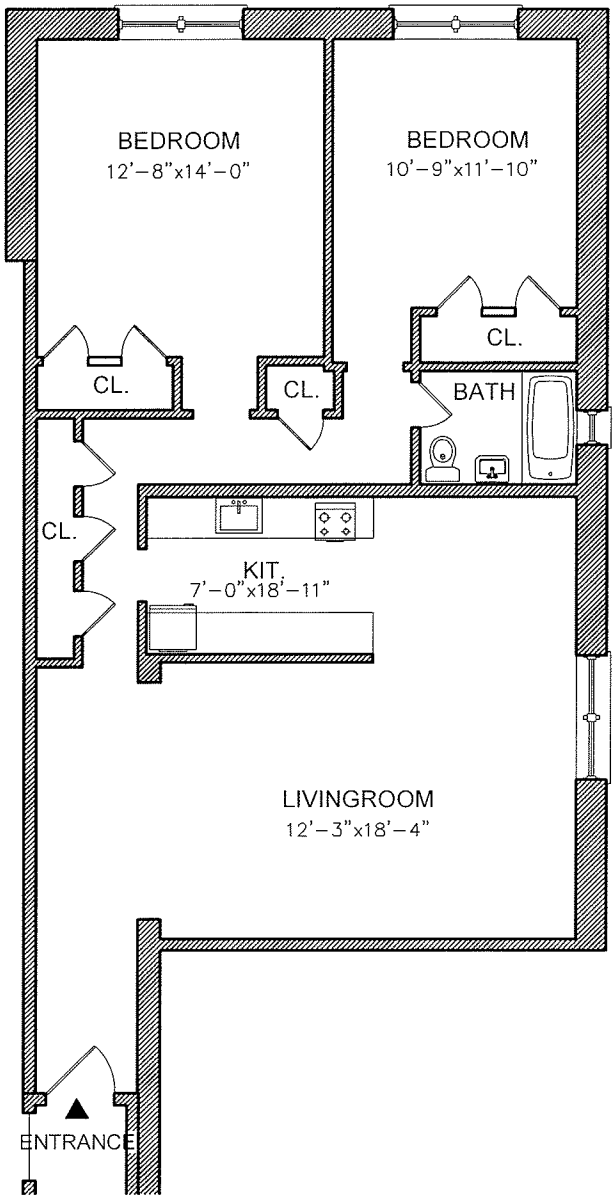
KEW GARDENS, NEW YORK

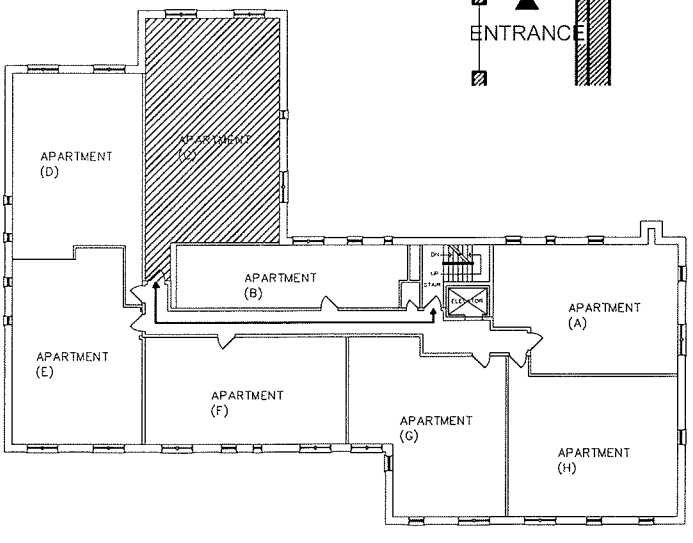
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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT C

FIFTH FLOOR

1096 SQ.FT

WEST SIDE OF BUILDING

N

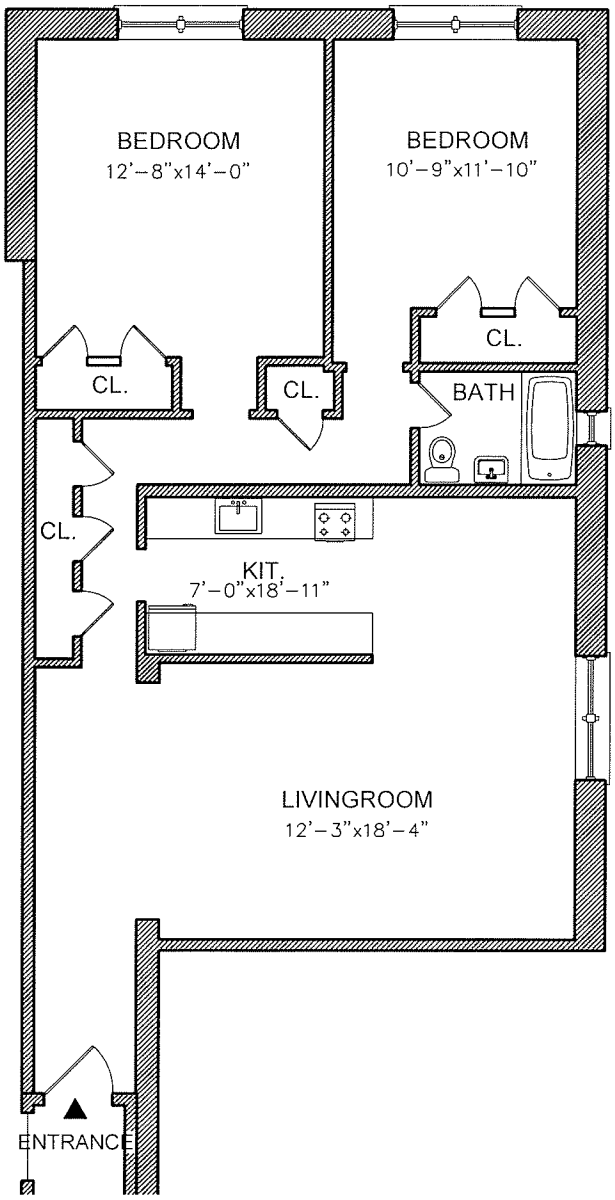
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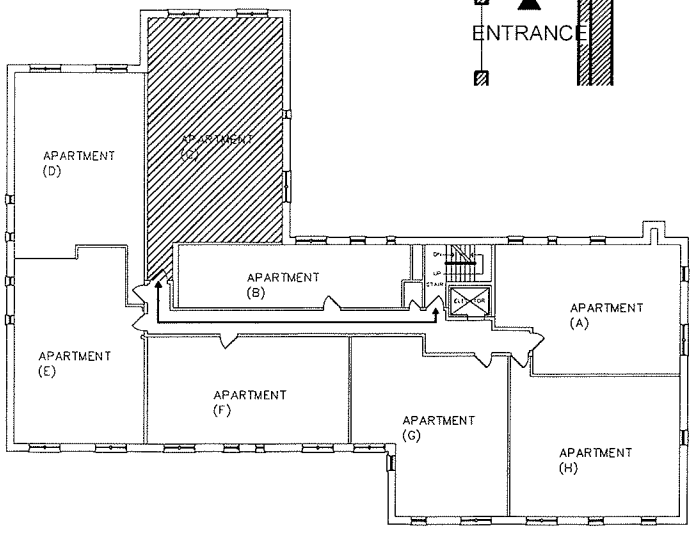
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT C

SIXTH FLOOR

1096 SQ.FT

WEST SIDE OF BUILDING

N

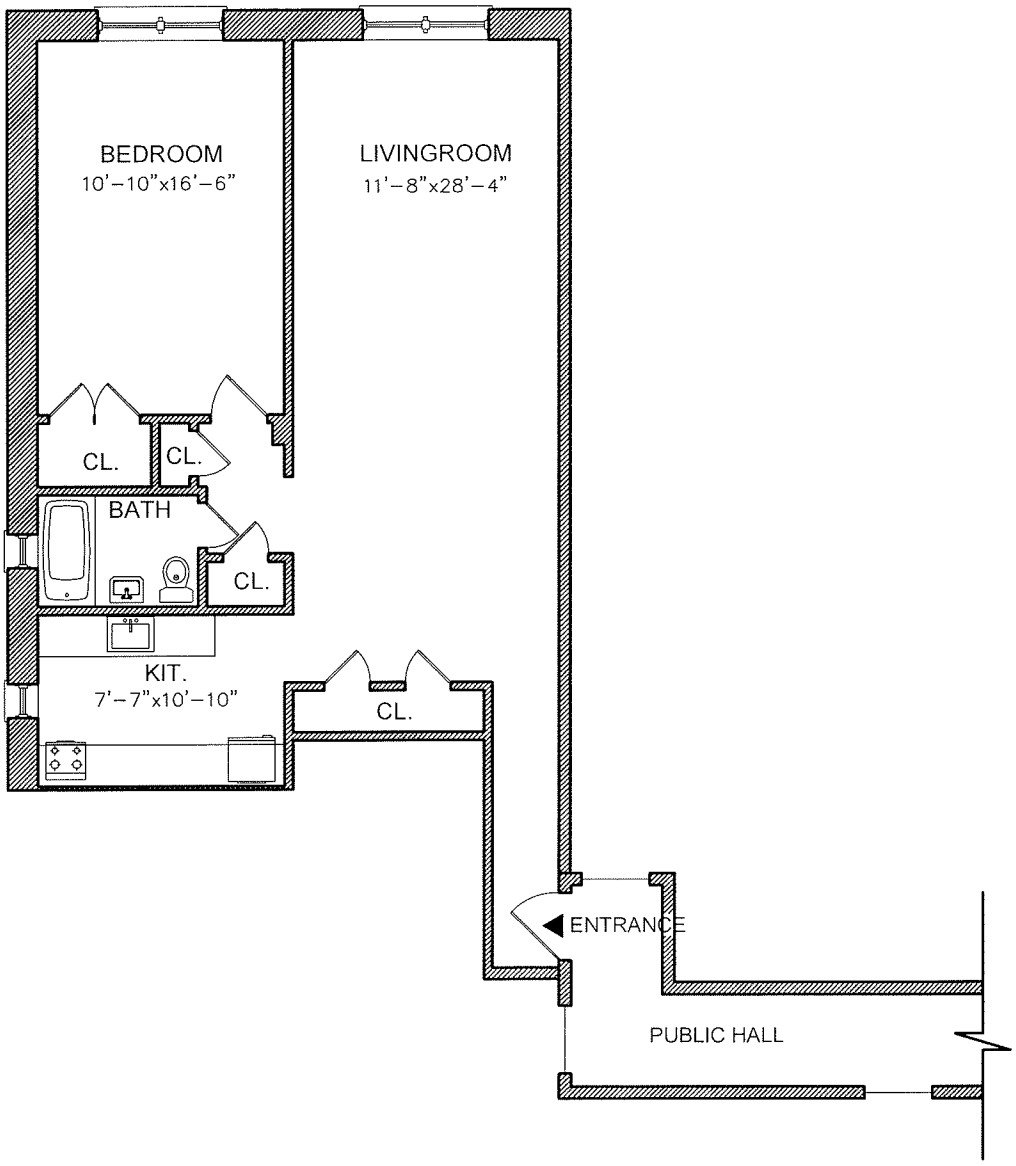
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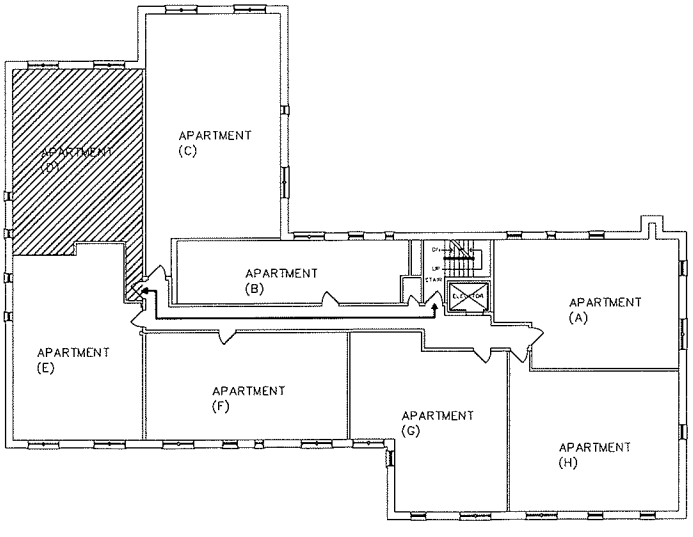
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THE BEVERLY CONDOMINIUM





UNIT D

SECOND FLOOR

849 SQ.FT

SOUTH SIDE OF BUILDING

N

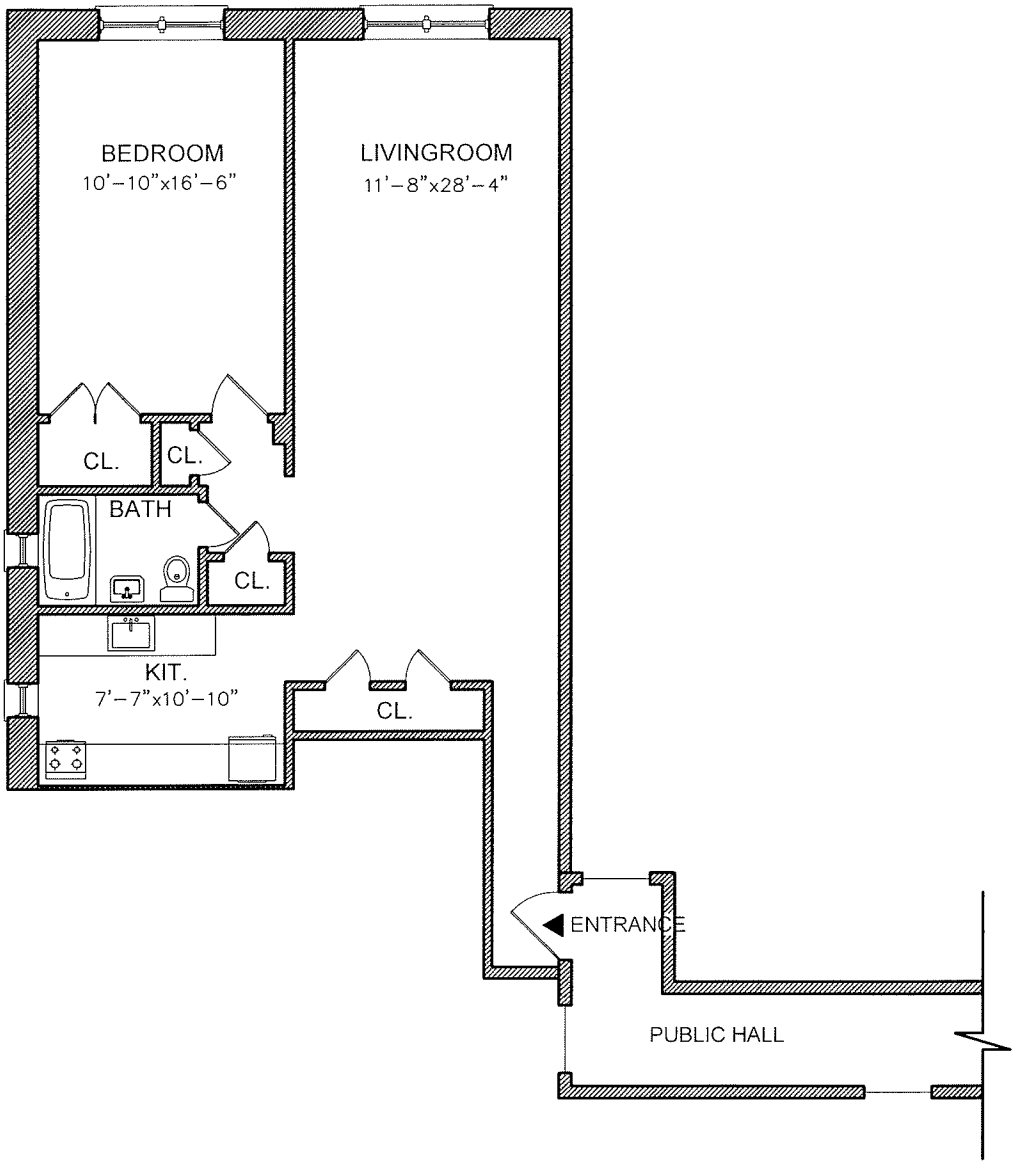
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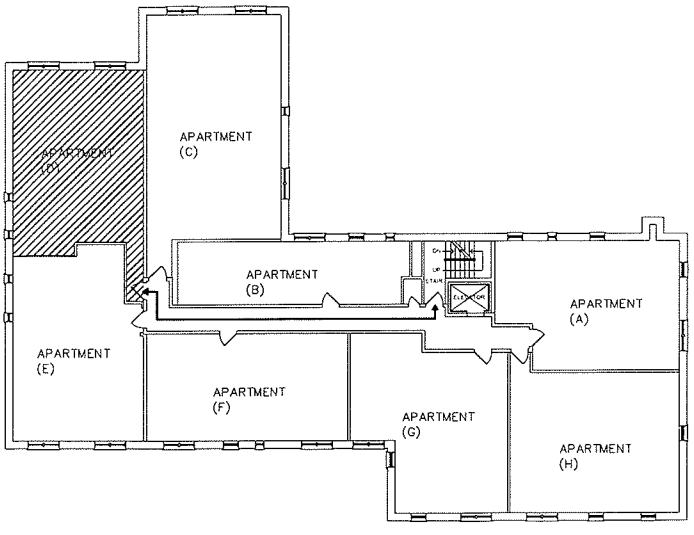
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT D

THIRD FLOOR

849 SQ.FT

SOUTH SIDE OF BUILDING

N

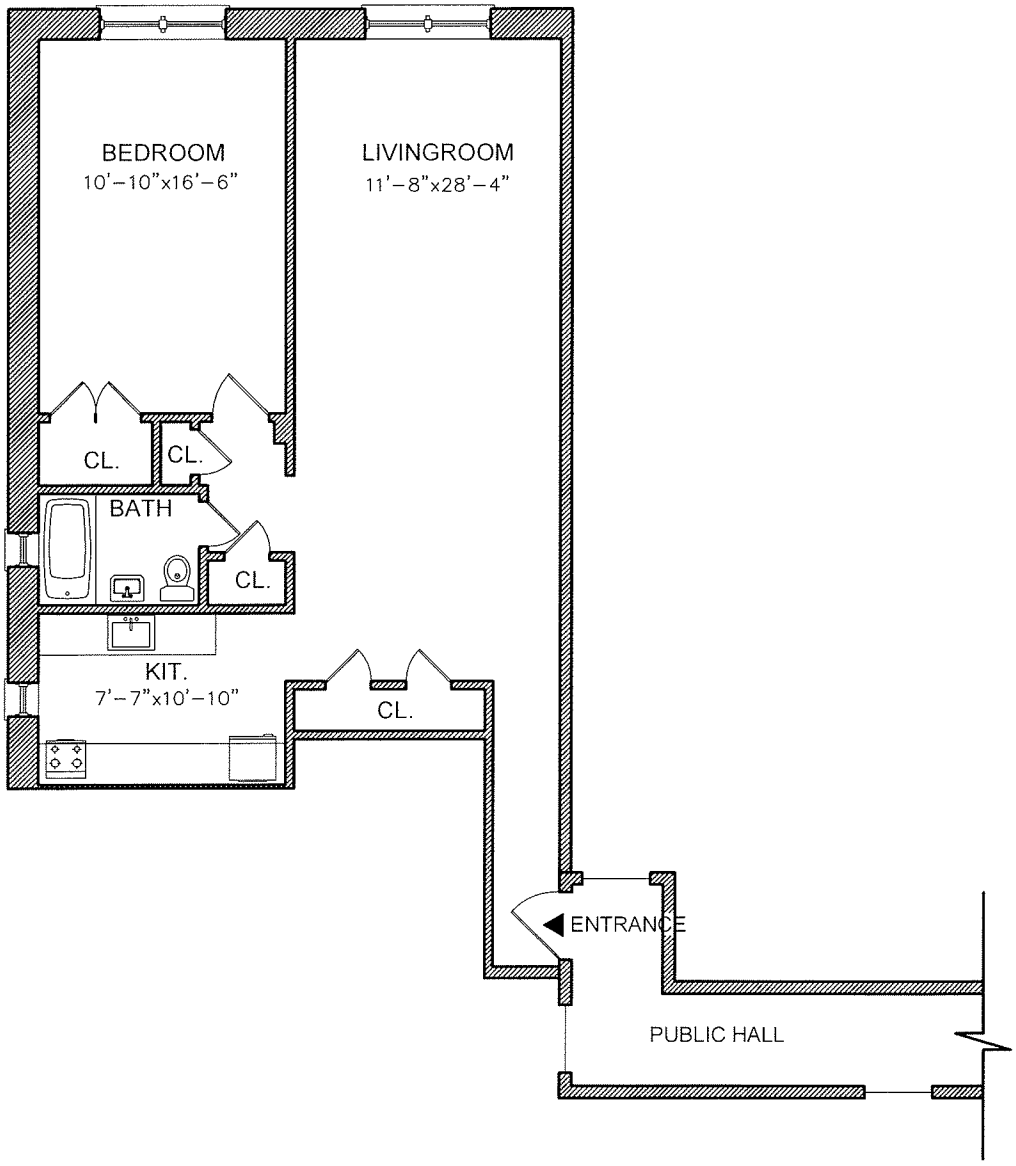
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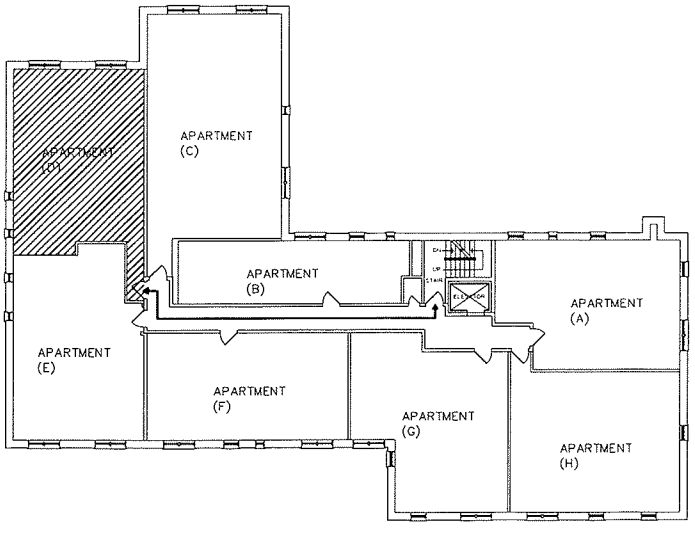
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





UNIT D

FOURTH FLOOR

849 SQ.FT

SOUTH SIDE OF BUILDING

N

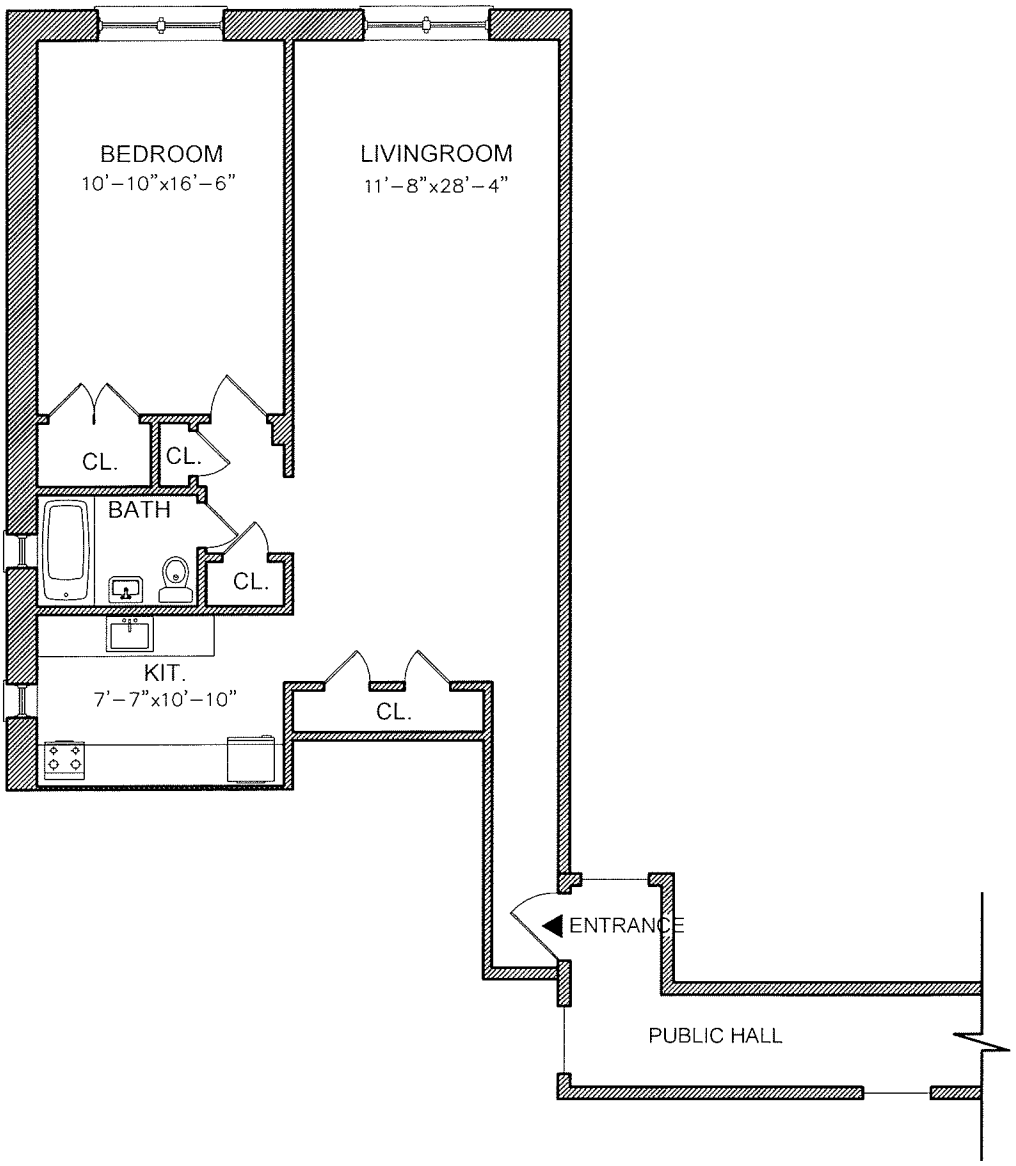
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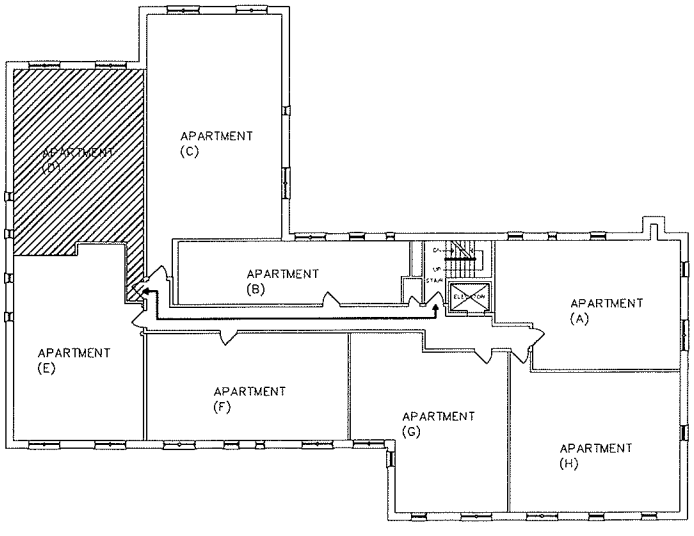
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT D

FIFTH FLOOR

849 SQ.FT

SOUTH SIDE OF BUILDING

N

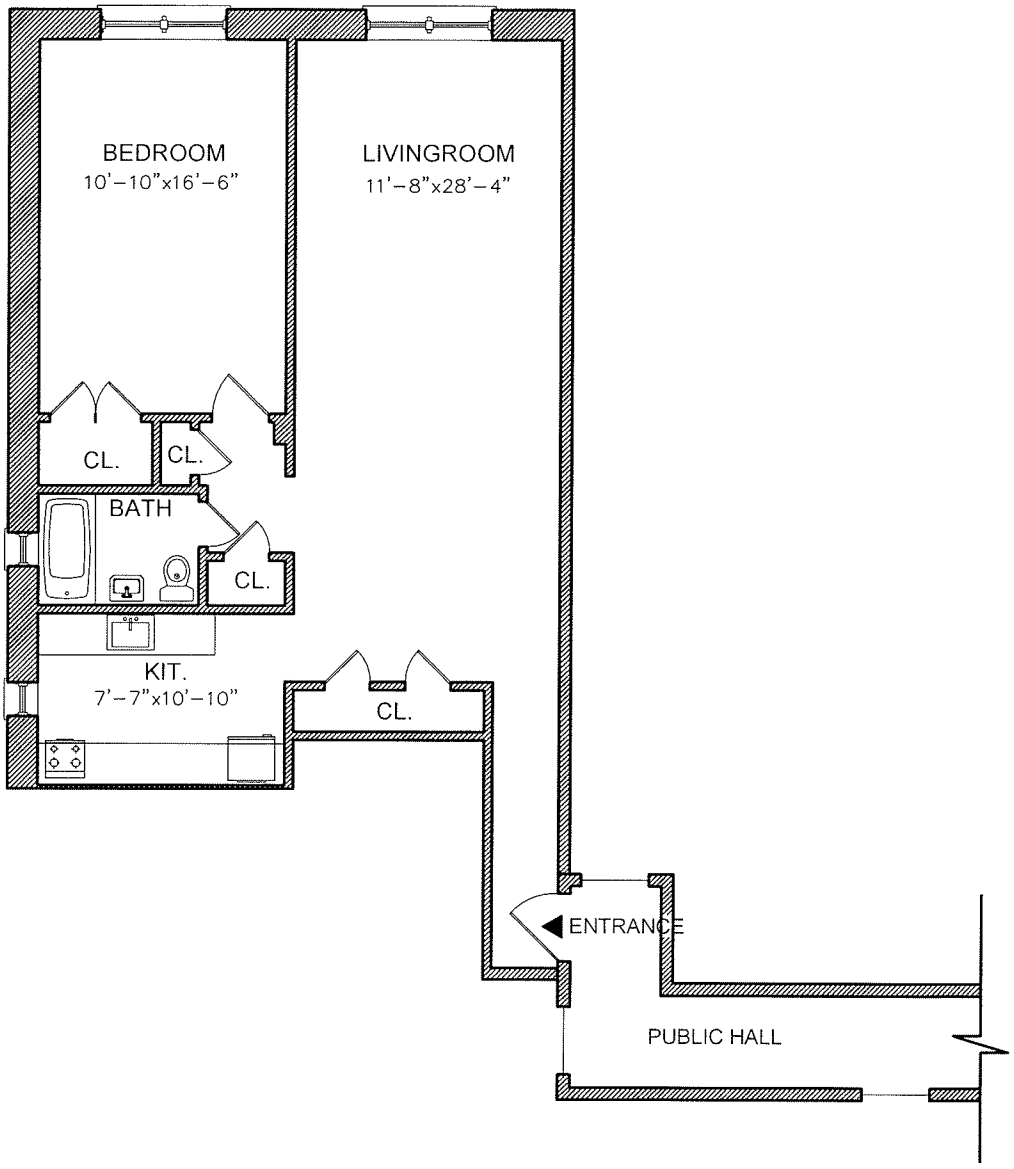
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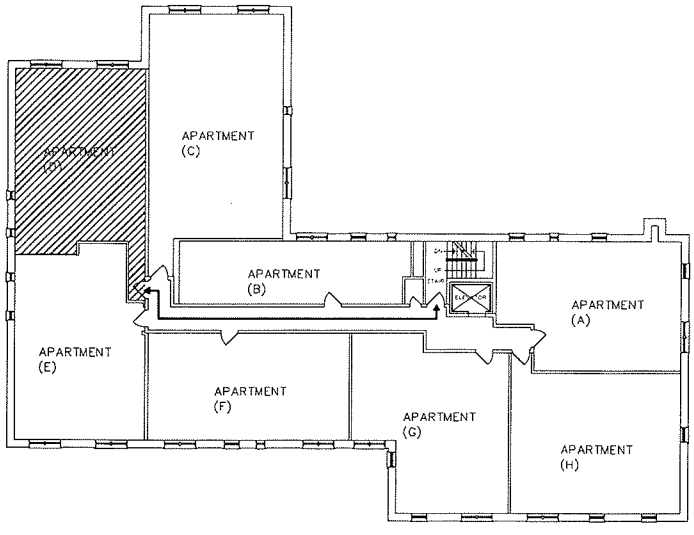
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





UNIT D

SIXTH FLOOR

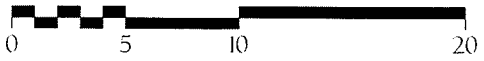
849 SQ.FT

SOUTH SIDE OF BUILDING

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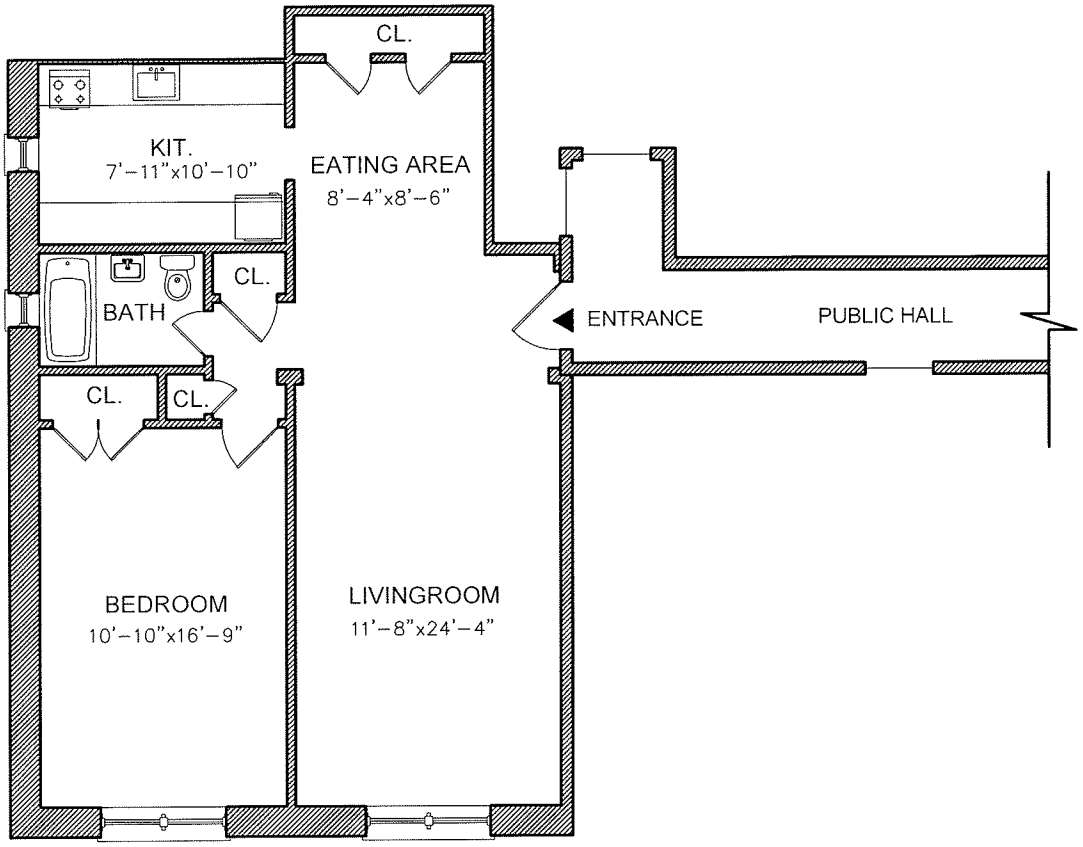
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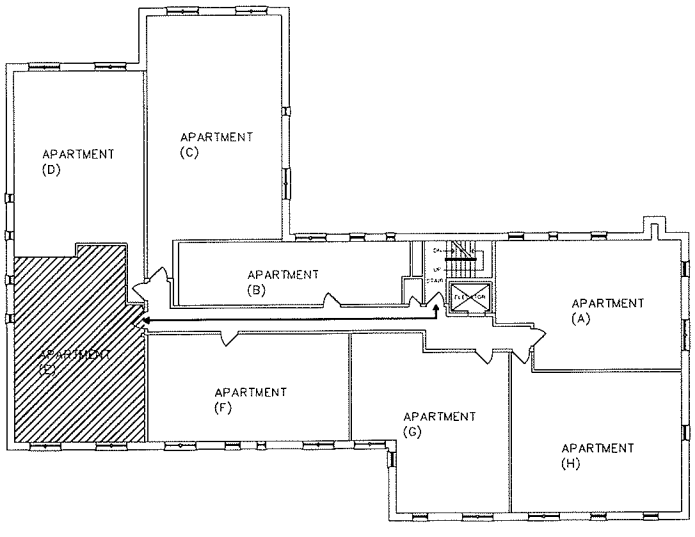
KEW GARDENS, NEW YORK



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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT E

SECOND FLOOR

830 SQ.FT

SOUTH SIDE OF BUILDING

N

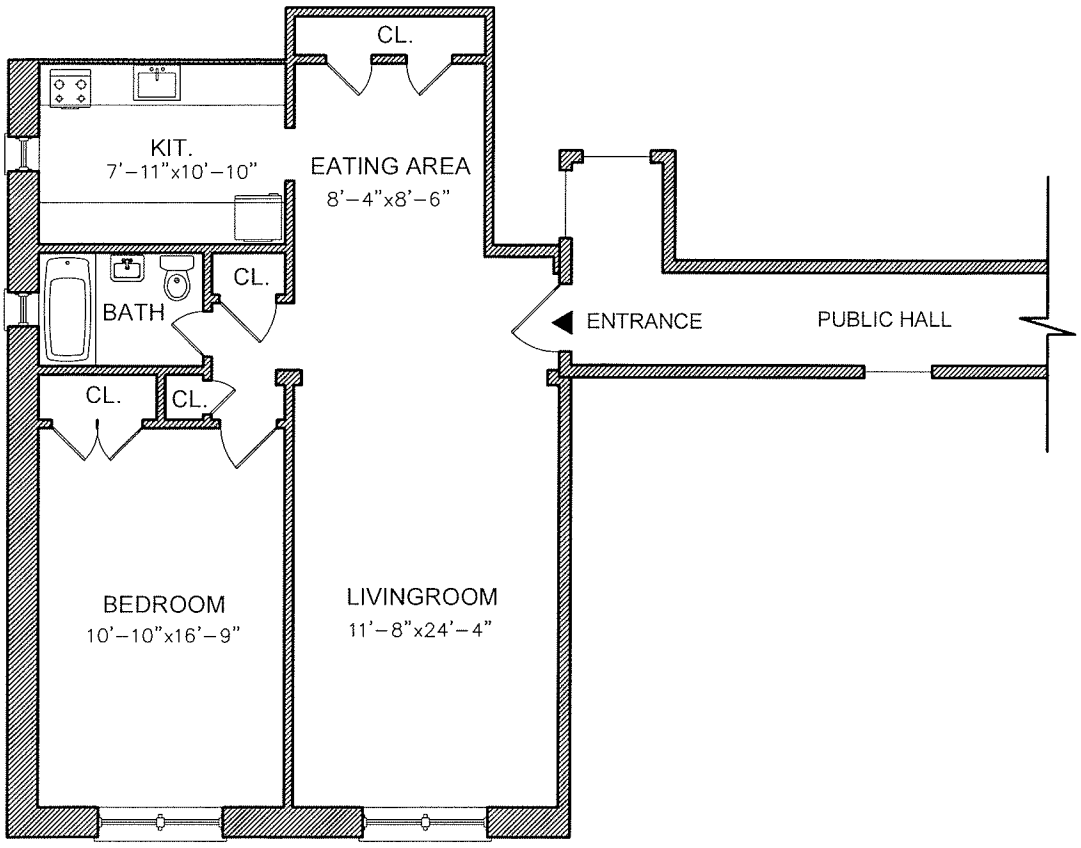
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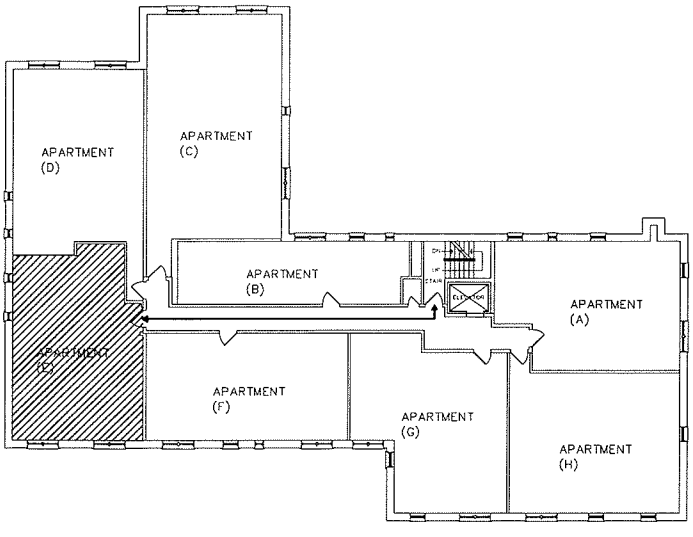
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





UNIT E

THIRD FLOOR

830 SQ.FT

SOUTH SIDE OF BUILDING

N

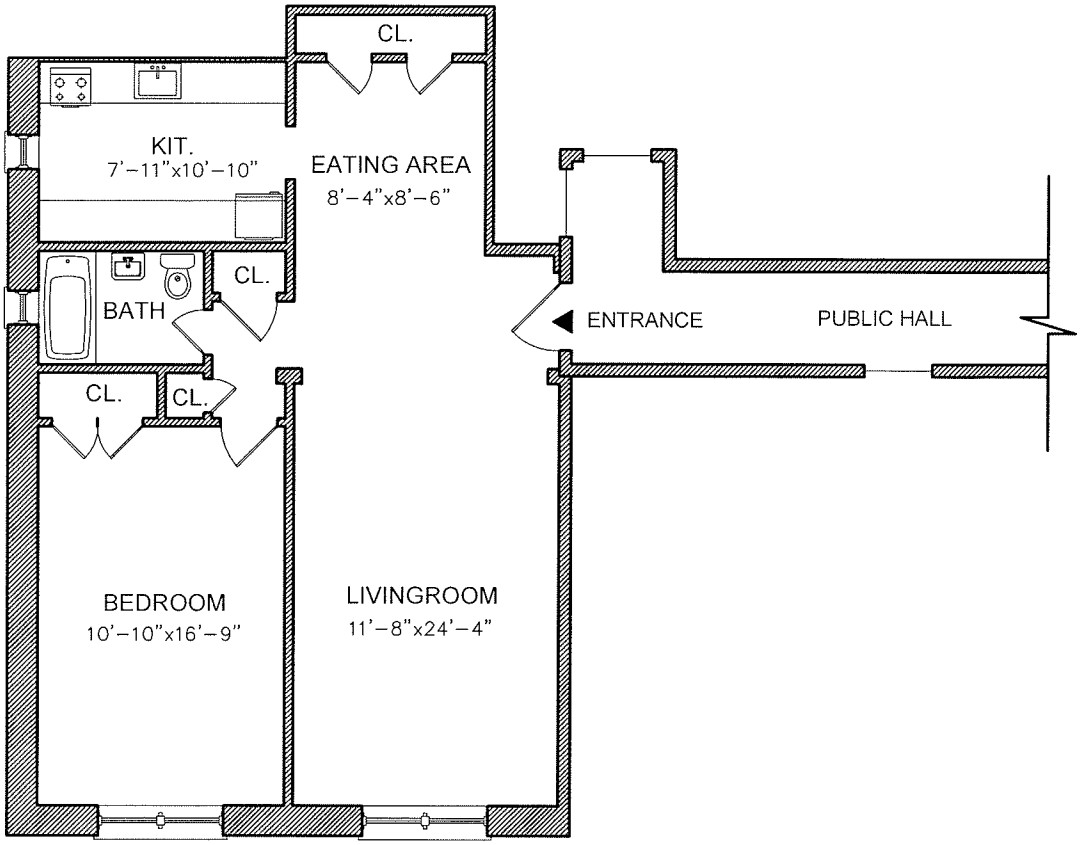
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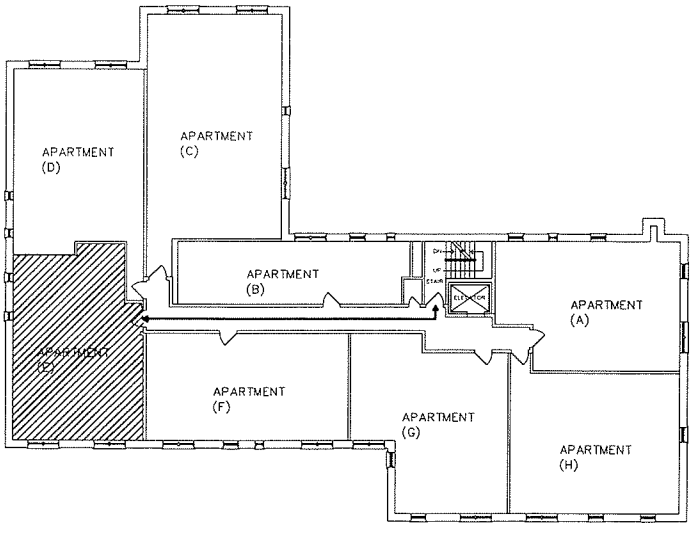
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





UNIT E

FOURTH FLOOR

830 SQ.FT

SOUTH SIDE OF BUILDING

N

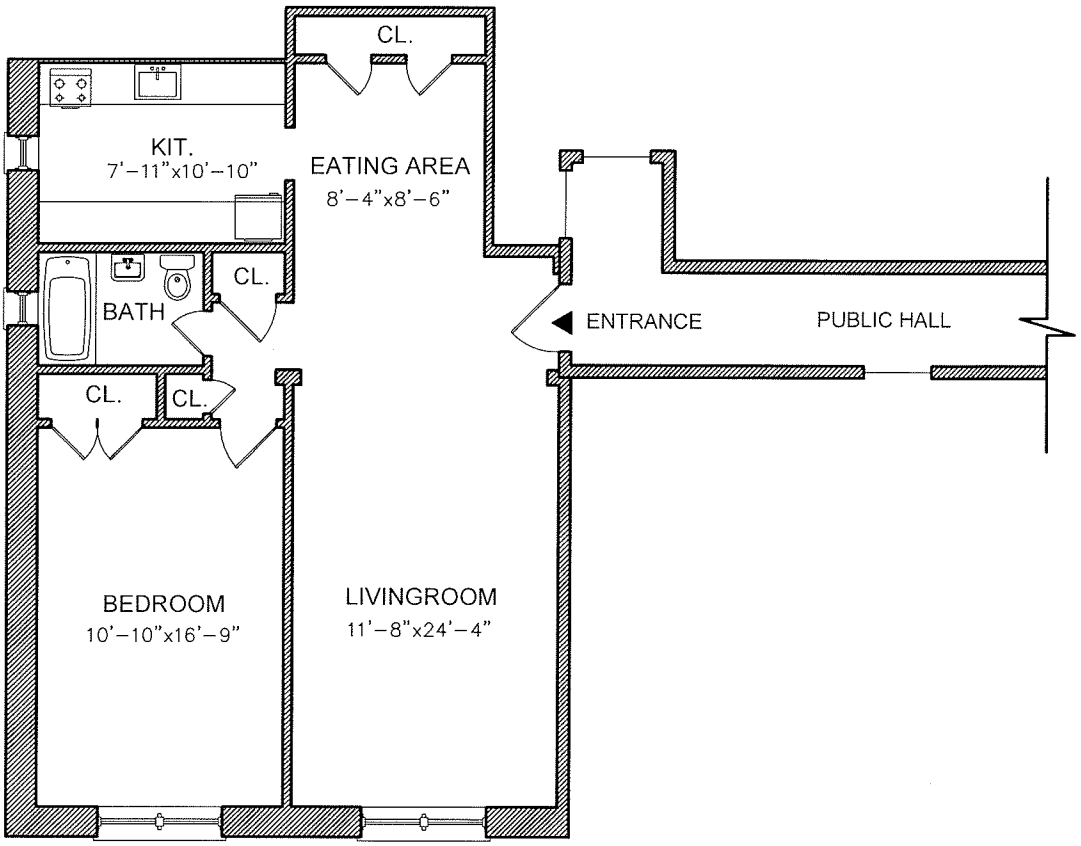
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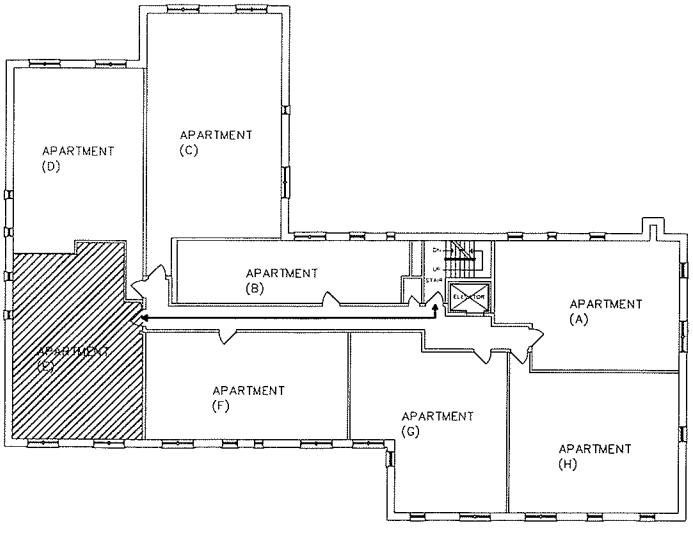
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT E

FIFTH FLOOR

830 SQ.FT

SOUTH SIDE OF BUILDING

N

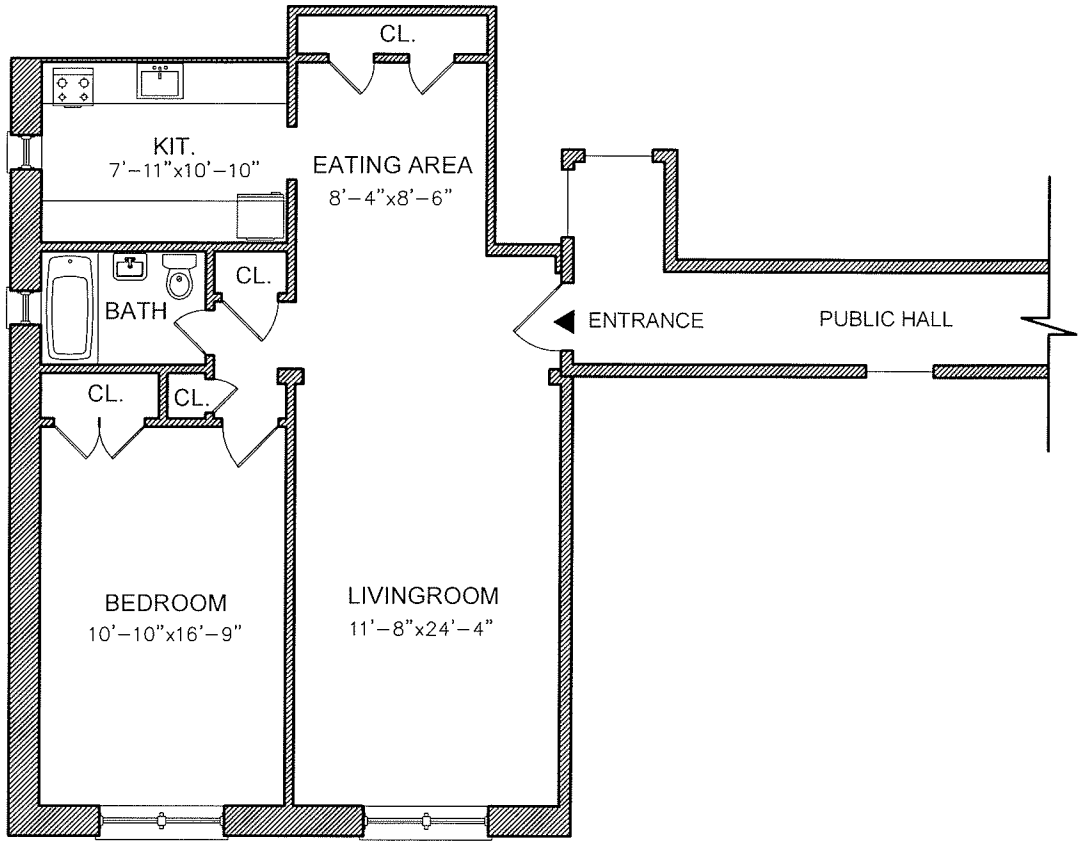
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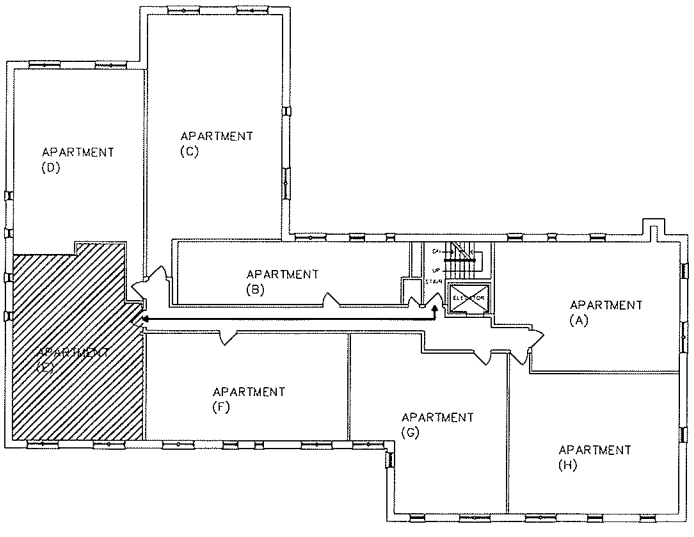
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT E

SIXTH FLOOR

830 SQ.FT

SOUTH SIDE OF BUILDING

N

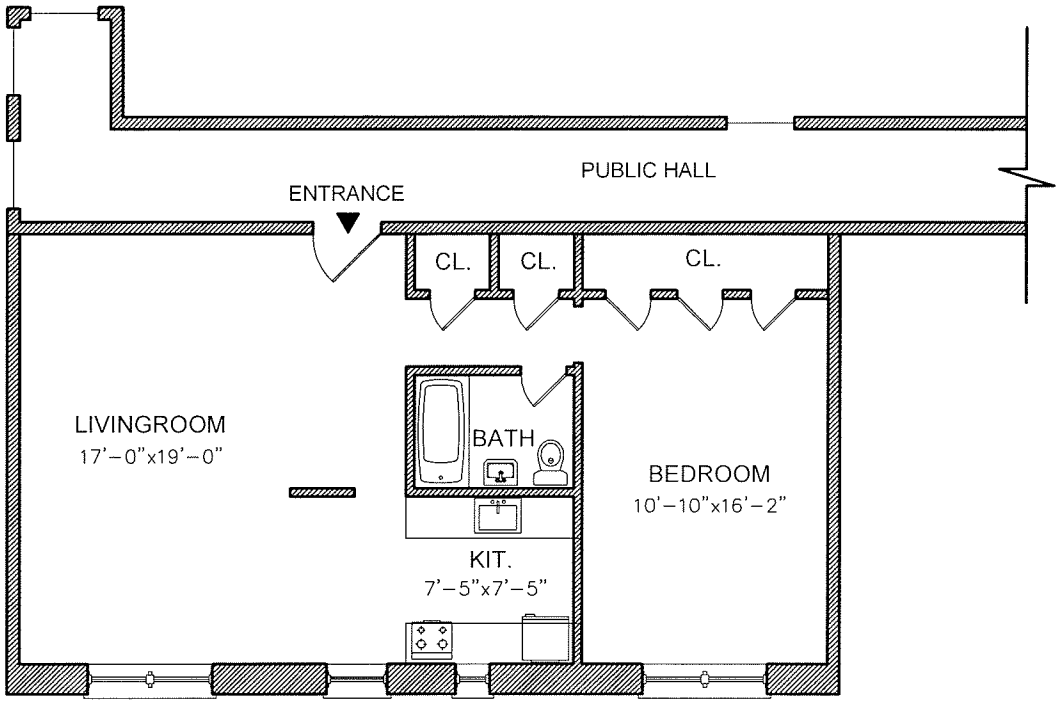
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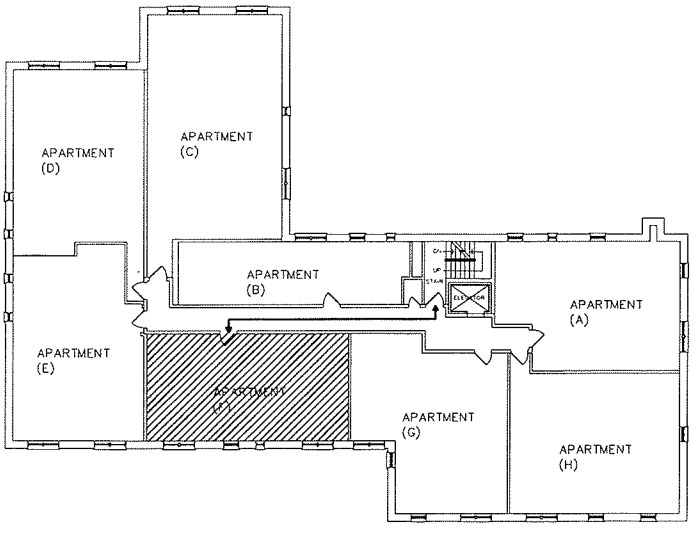
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT F

SECOND FLOOR

745 SQ.FT

EAST SIDE OF BUILDING

N

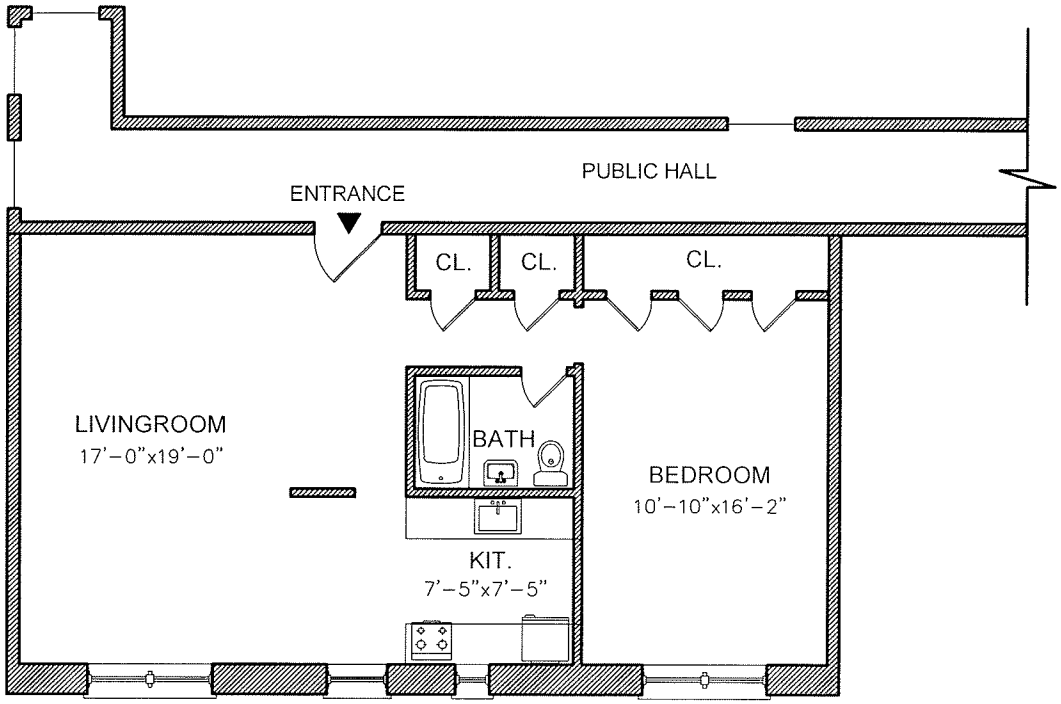
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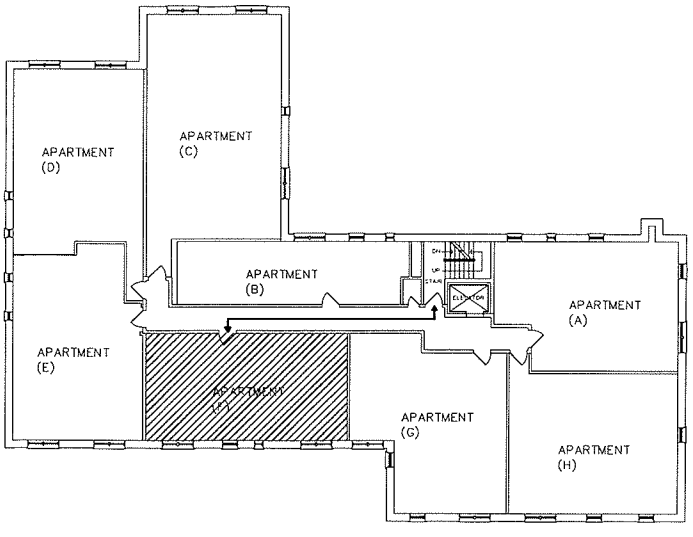
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





UNIT F

THIRD FLOOR

745 SQ.FT

EAST SIDE OF BUILDING

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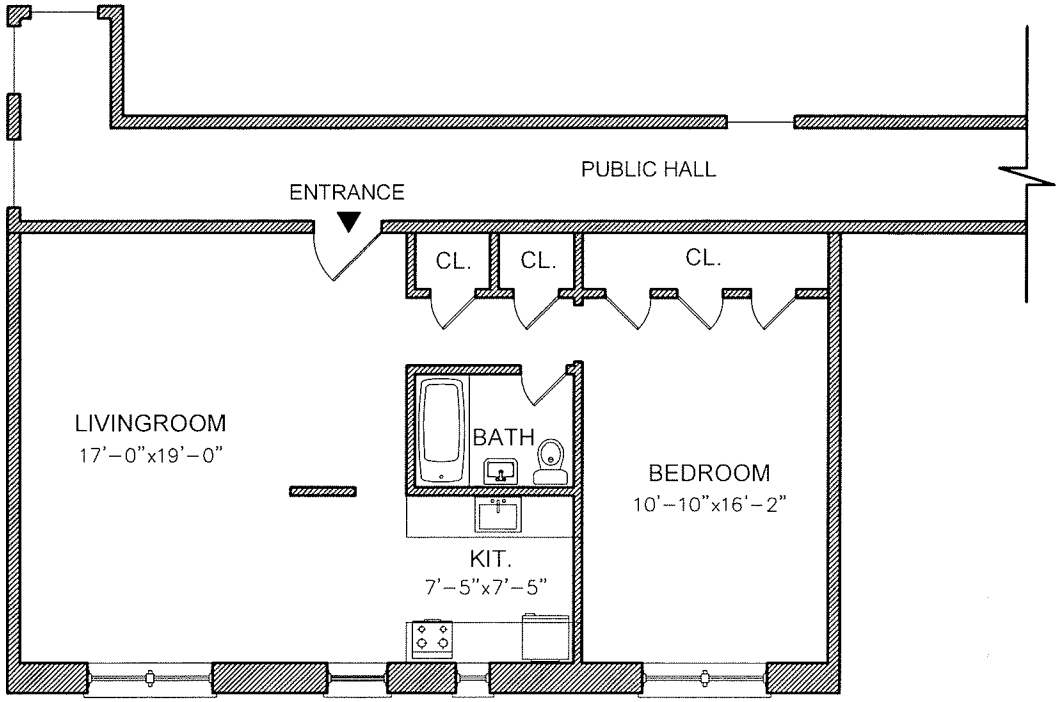
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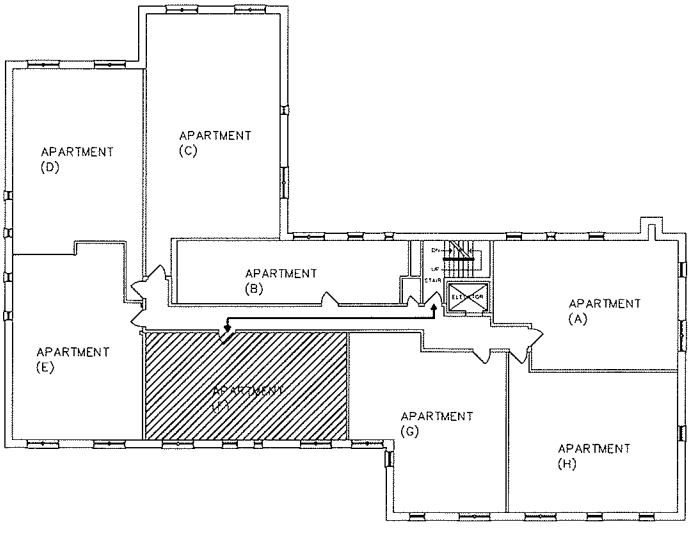
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT F

FOURTH FLOOR

745 SQ.FT

EAST SIDE OF BUILDING

N

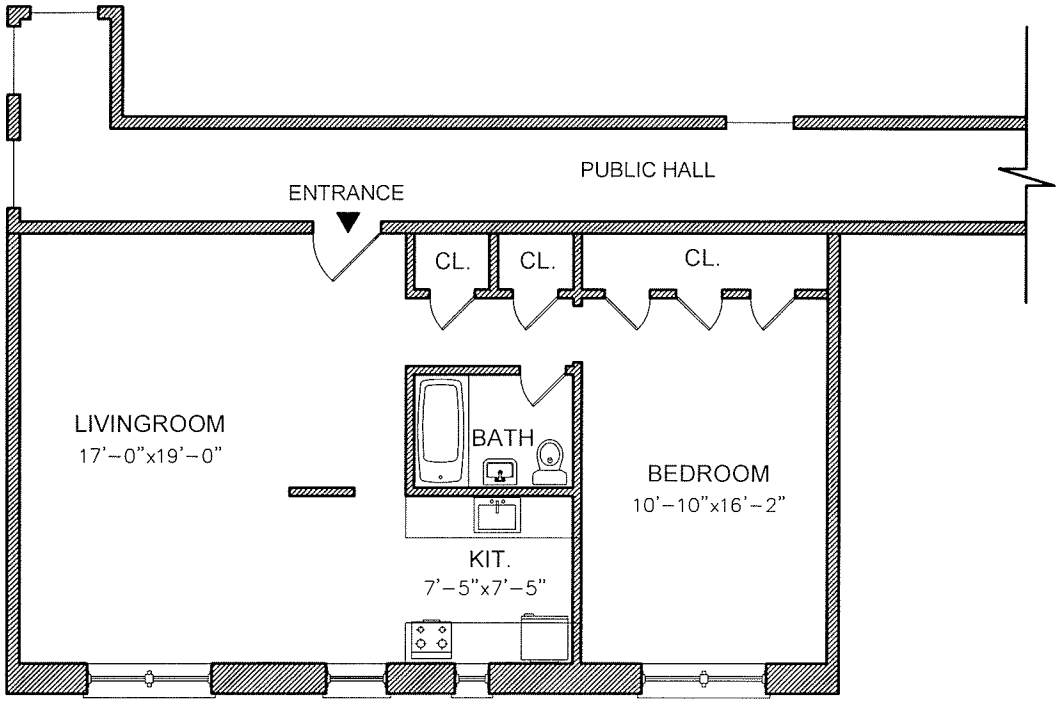
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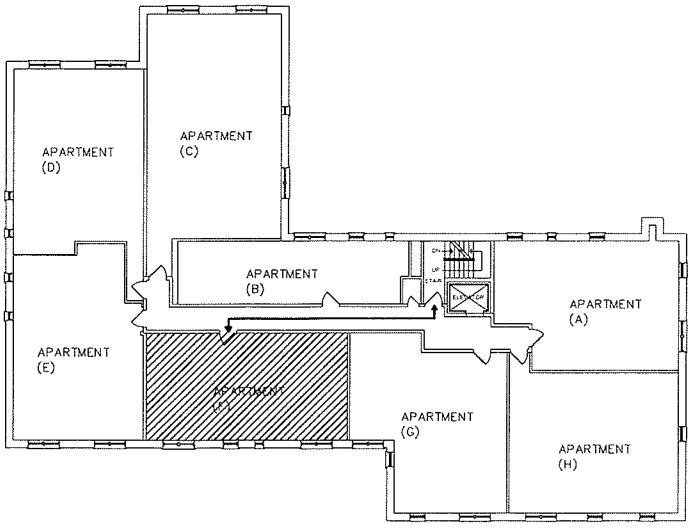
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





UNIT F

FIFTH FLOOR

745 SQ.FT

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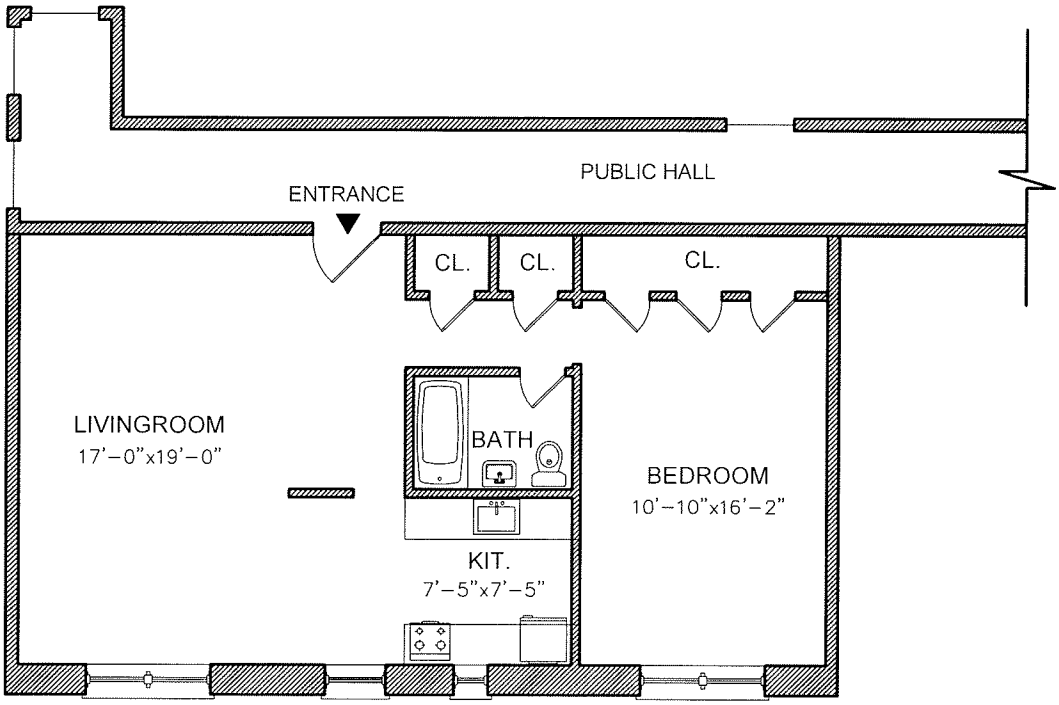
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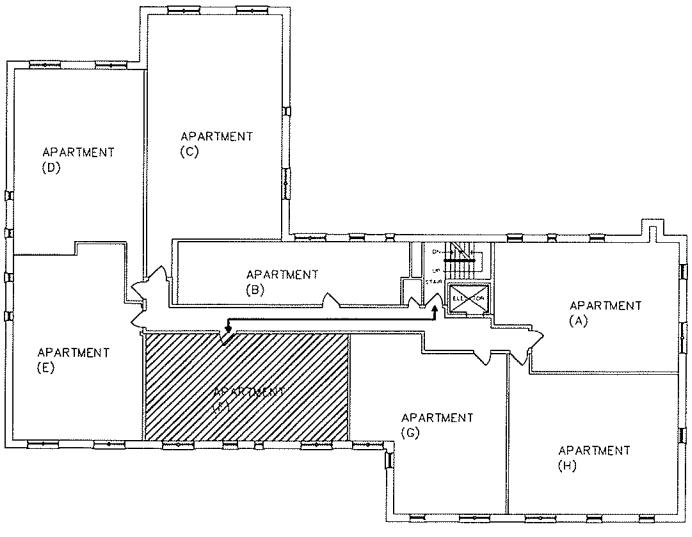
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





UNIT F

SIXTH FLOOR

745 SQ.FT

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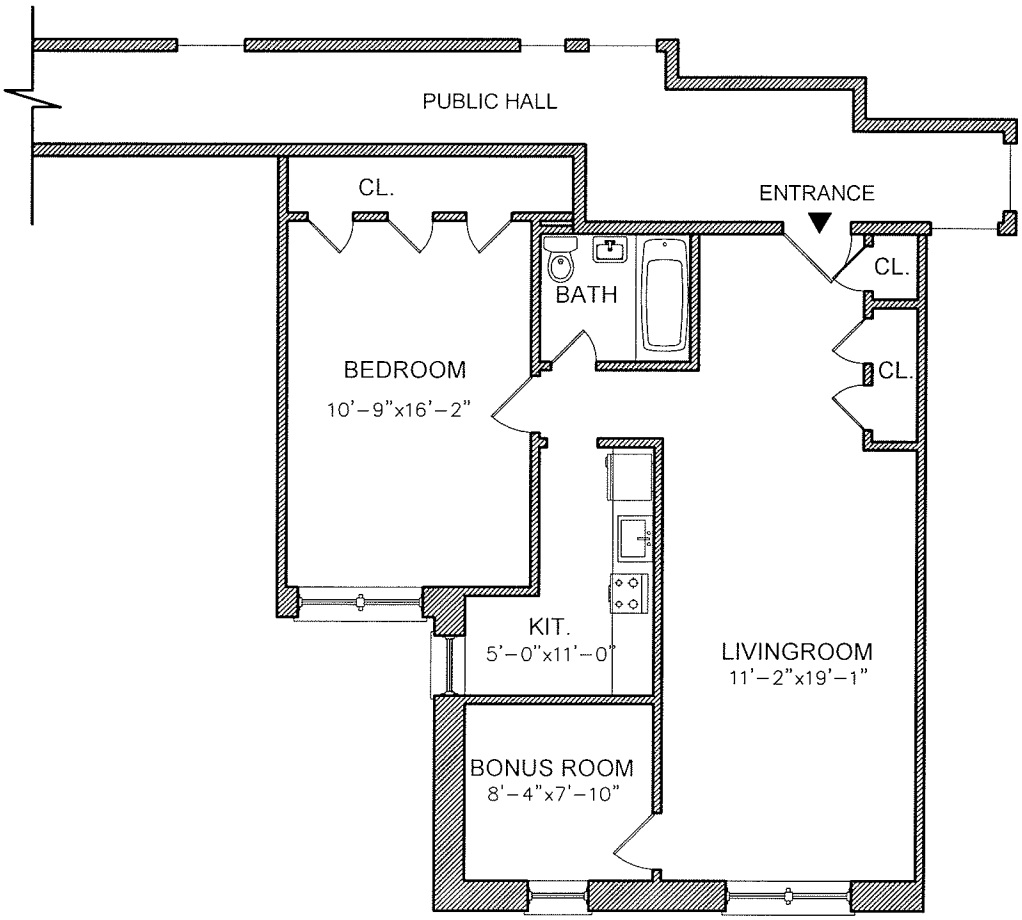
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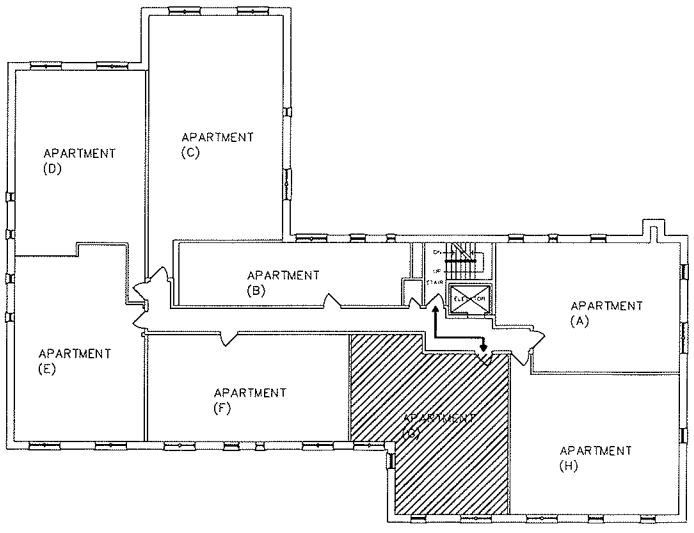
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT G

SECOND FLOOR

806 SQ.FT

EAST SIDE OF BUILDING

N

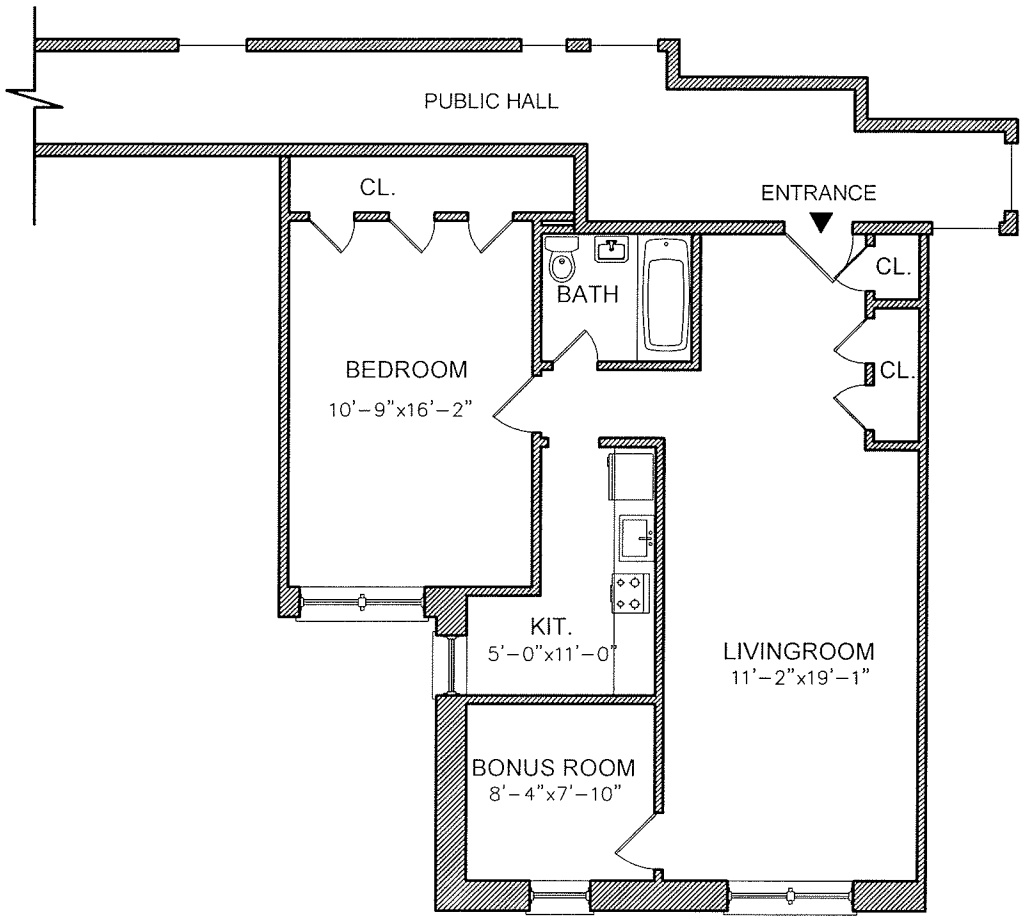
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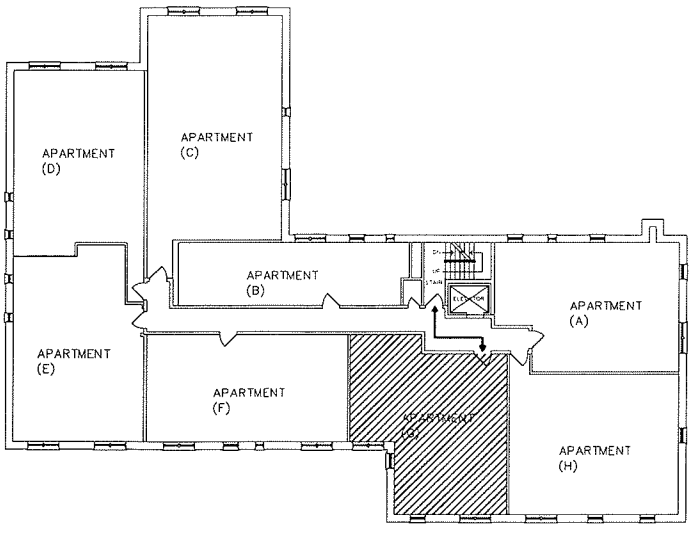
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT G

THIRD FLOOR

806 SQ.FT

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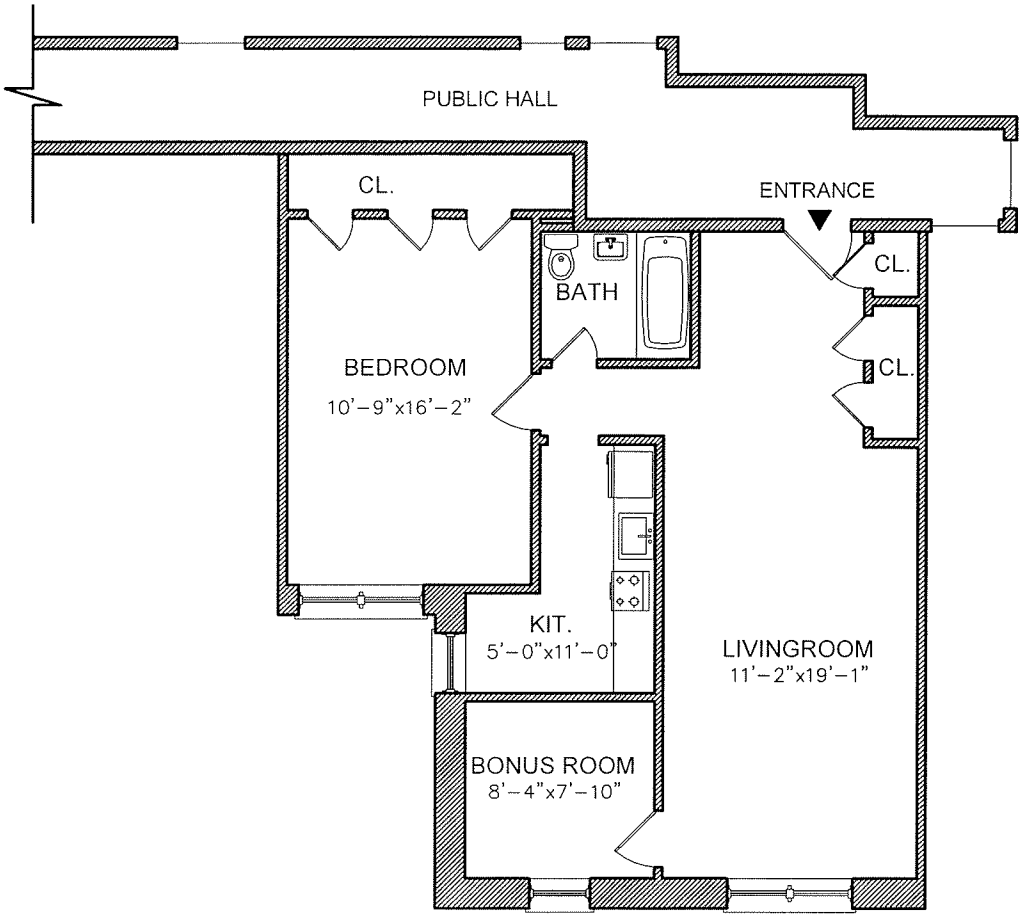
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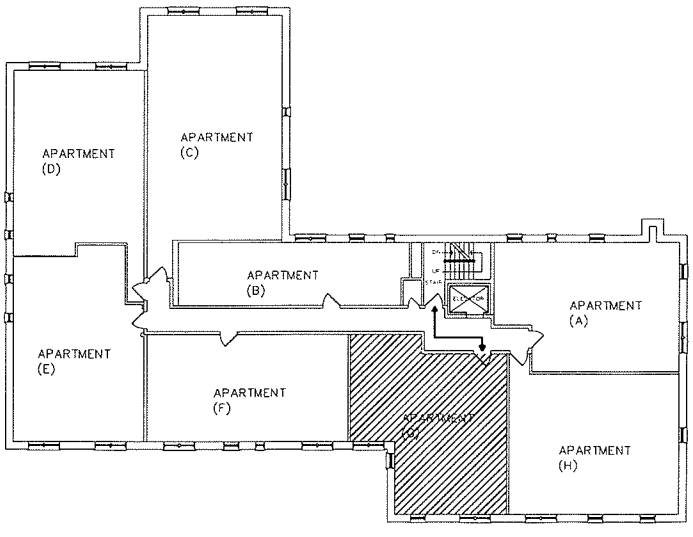
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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT G

FOURTH FLOOR

806 SQ.FT

EAST SIDE OF BUILDING

82-4 LEFFERTS BLVD.

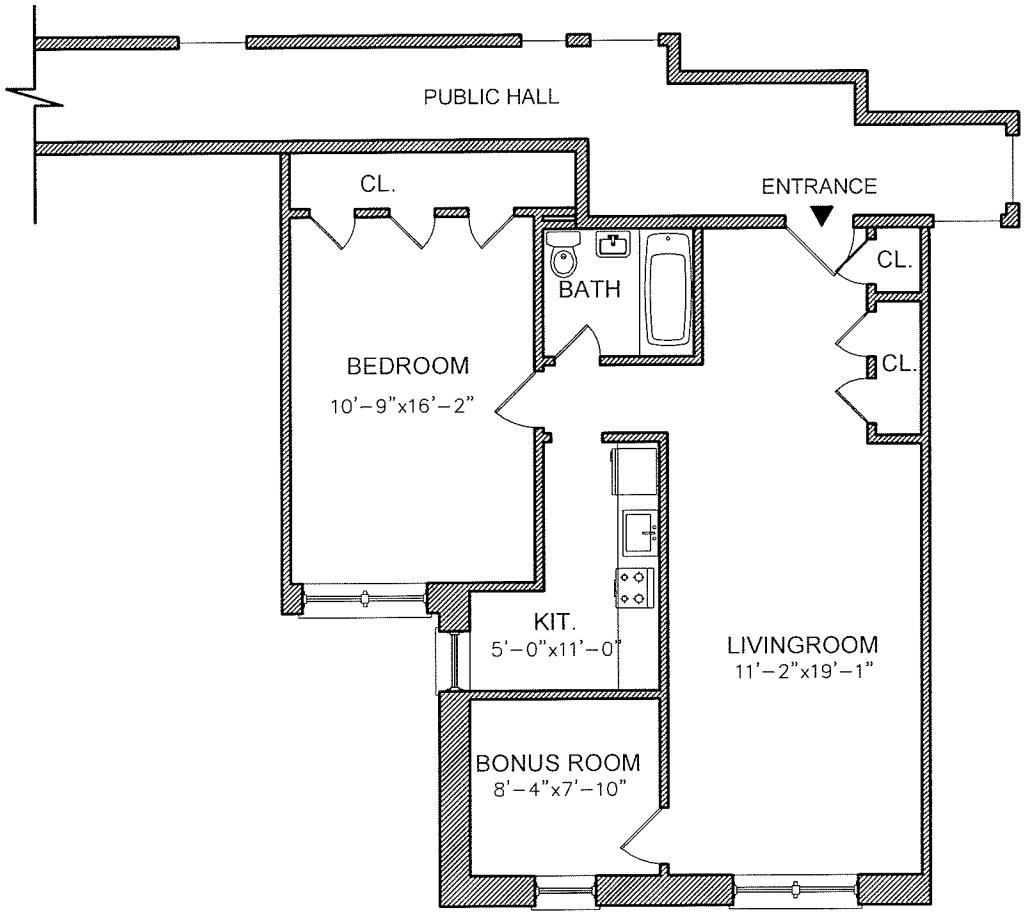
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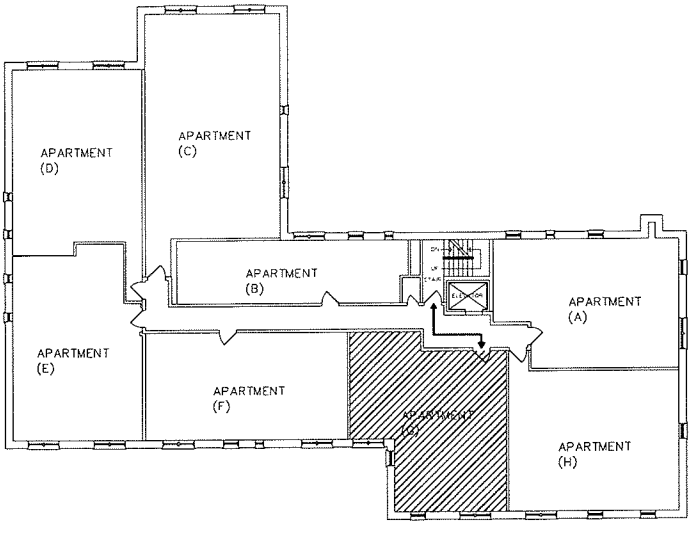
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THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT G

FIFTH FLOOR

806 SQ.FT

EAST SIDE OF BUILDING

N

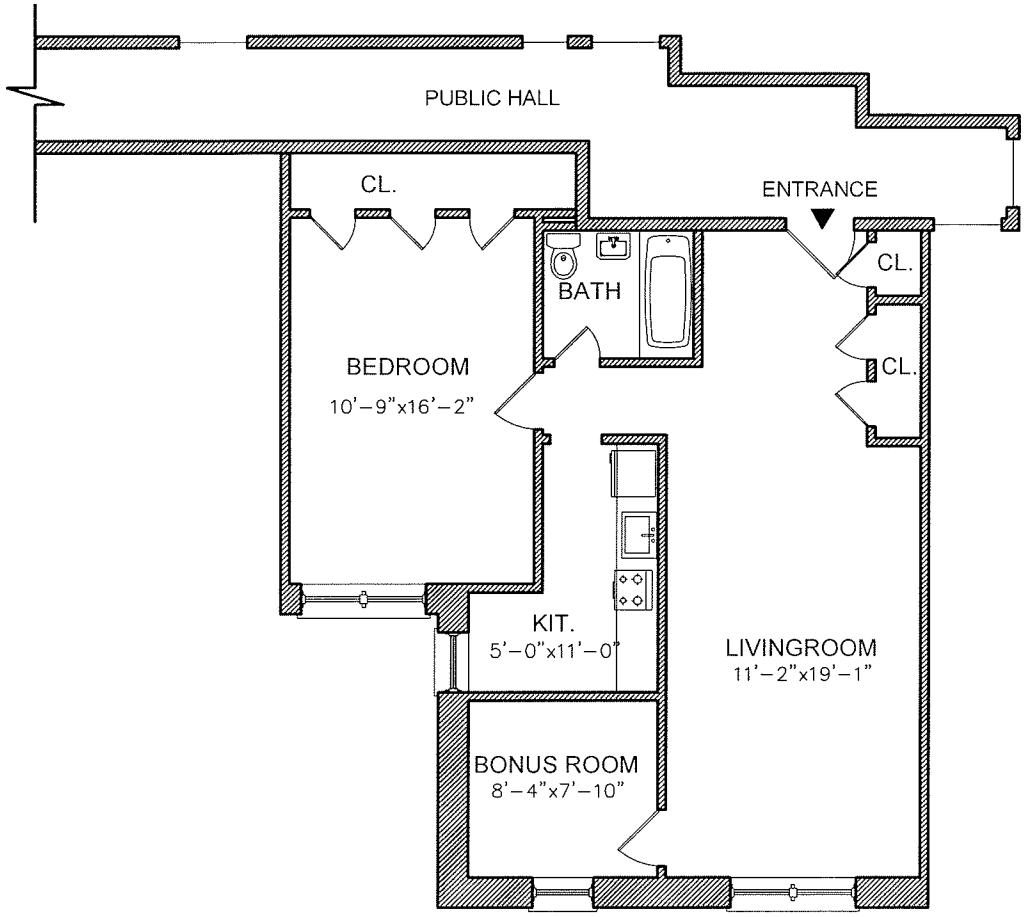
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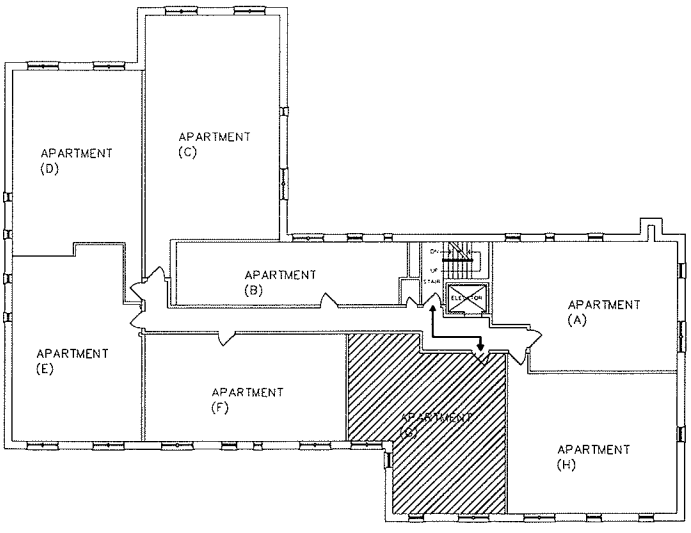
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT G

SIXTH FLOOR

806 SQ.FT

EAST SIDE OF BUILDING

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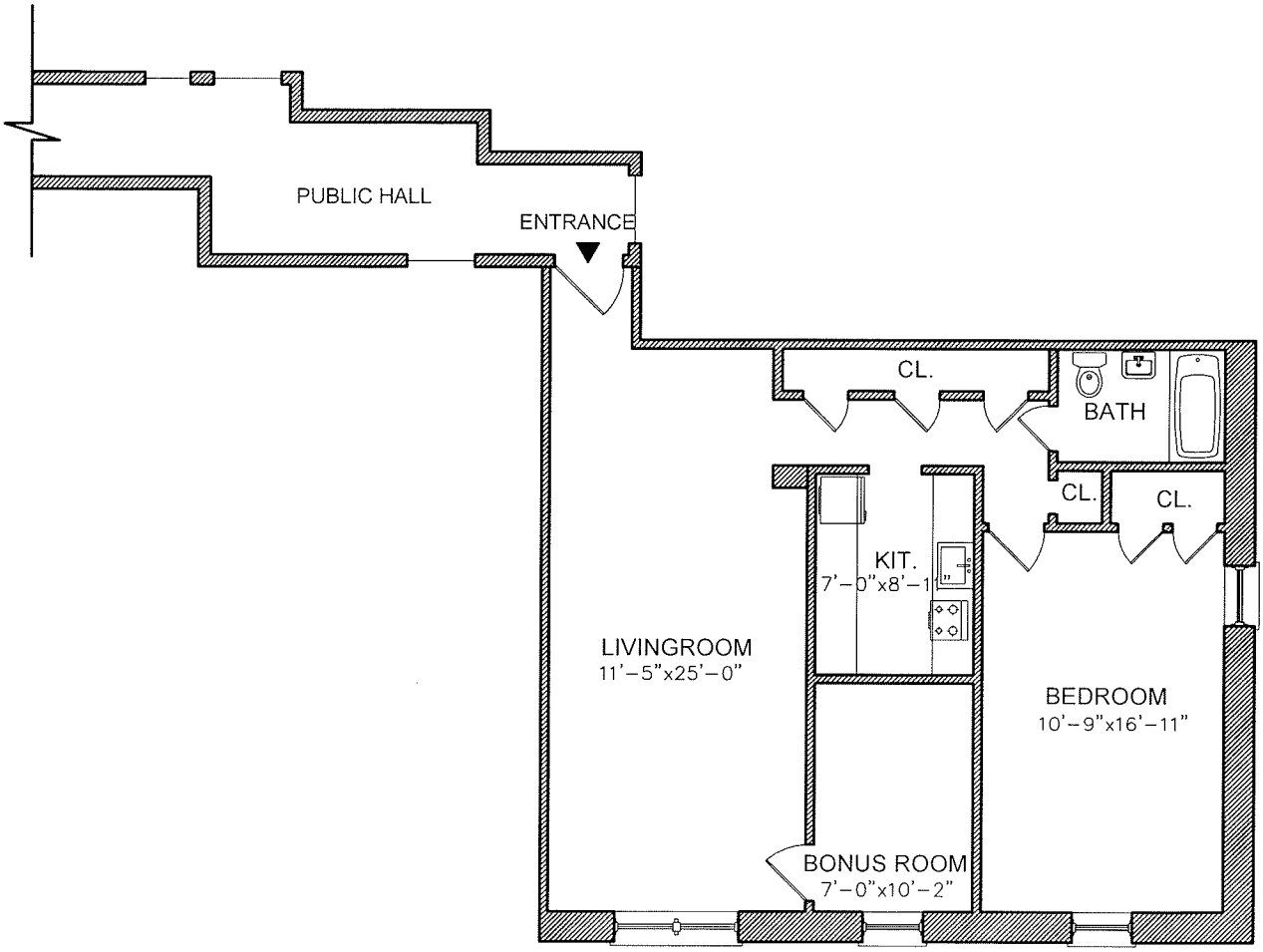
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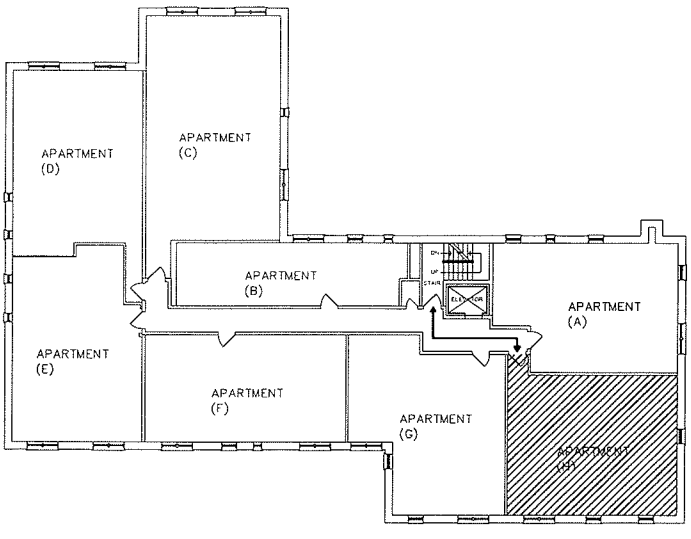
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT H

SECOND FLOOR

847 SQ.FT

NORTH SIDE OF BUILDING

N

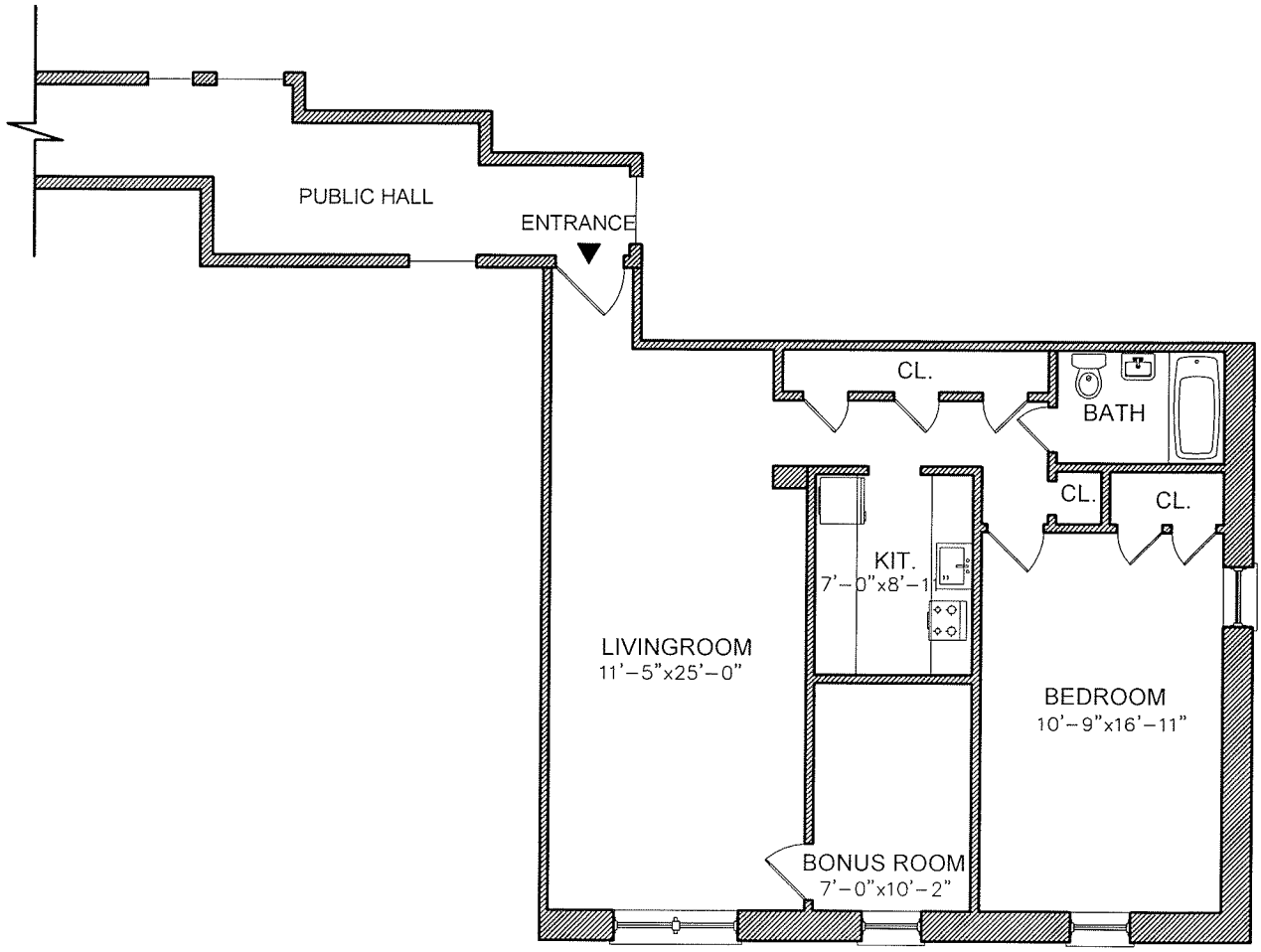
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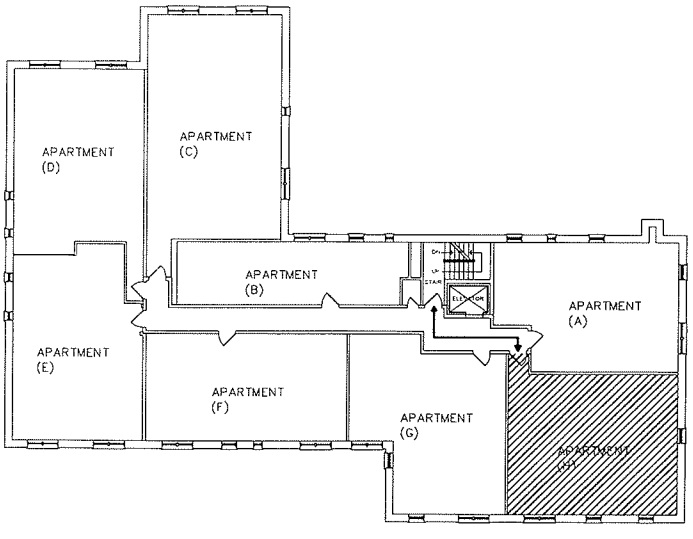
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT H

THIRD FLOOR

847 SQ.FT

NORTH SIDE OF BUILDING

N

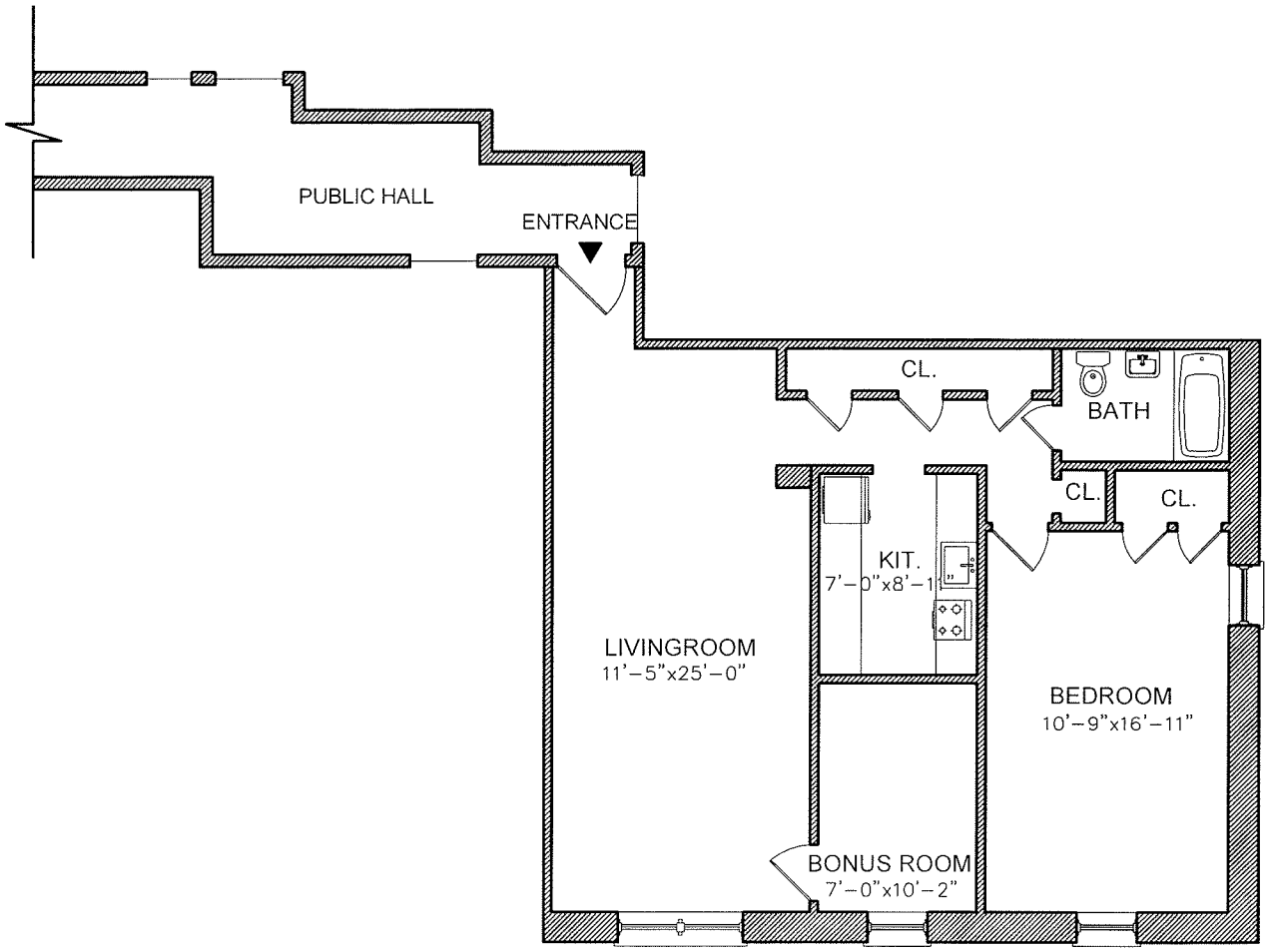
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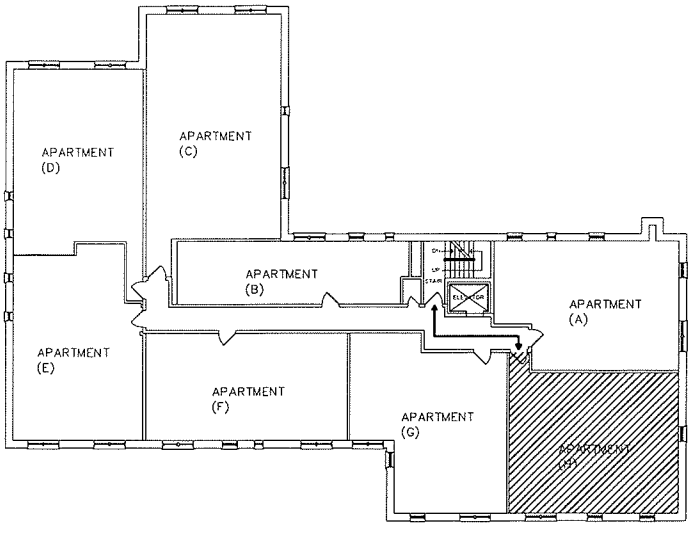
KEW GARDENS, NEW YORK

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THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT H

FOURTH FLOOR

847 SQ.FT

NORTH SIDE OF BUILDING

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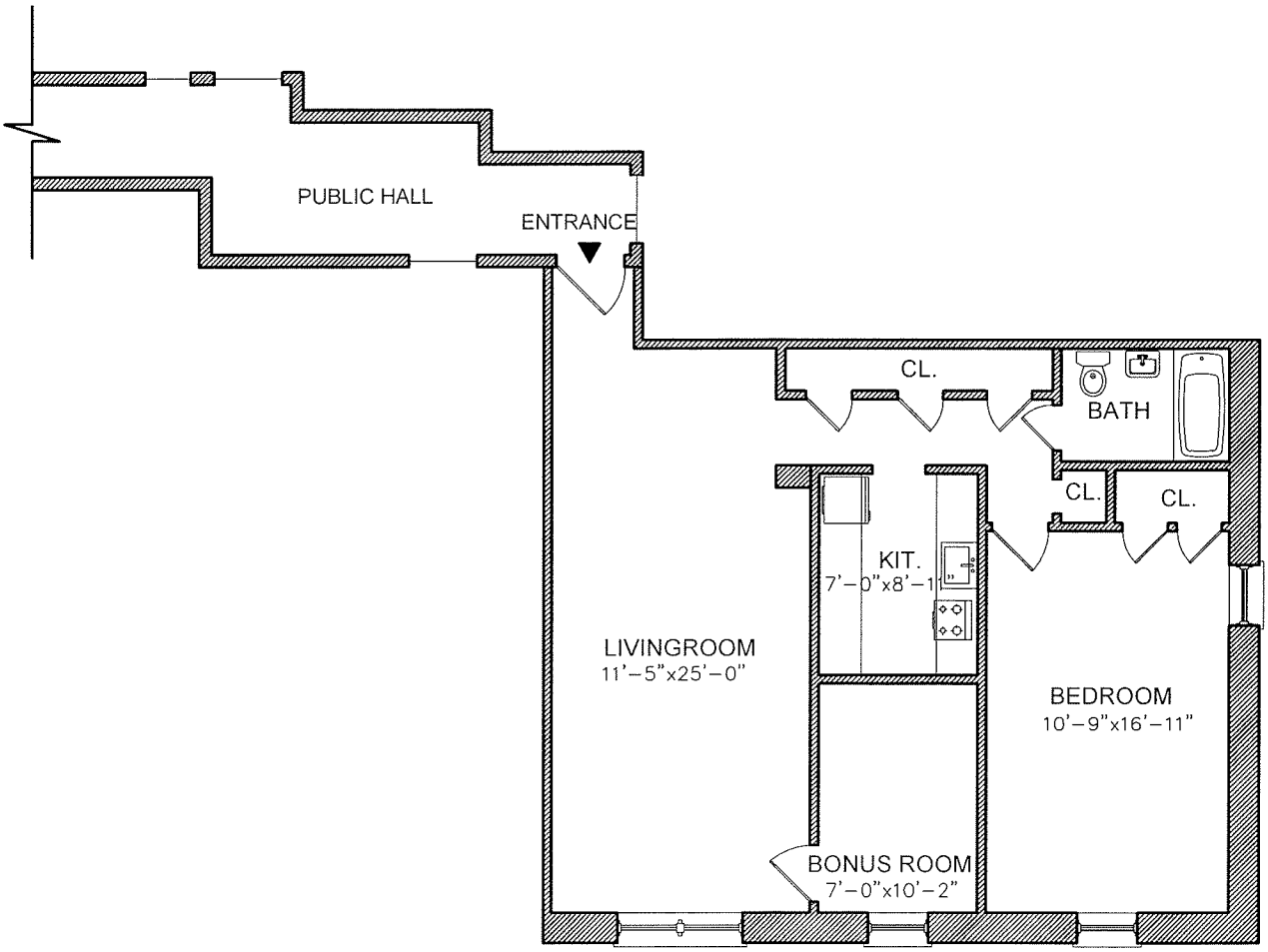
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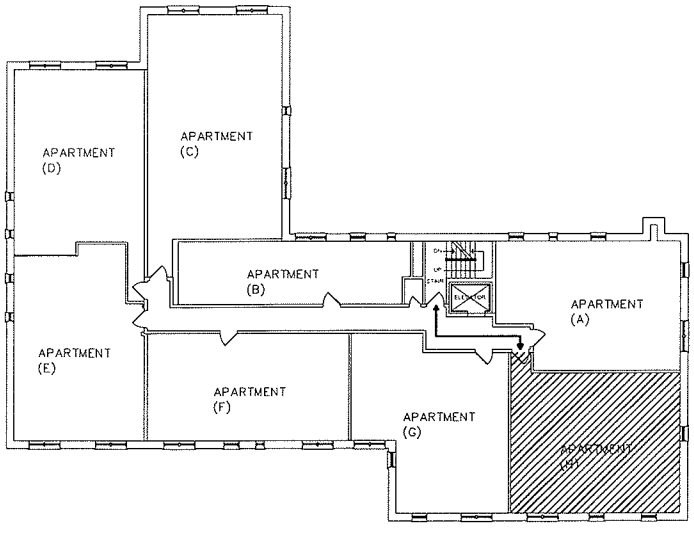
KEW GARDENS, NEW YORK

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01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

LEFFERTS BOULEVARD

UNIT H

FIFTH FLOOR

847 SQ.FT

NORTH SIDE OF BUILDING

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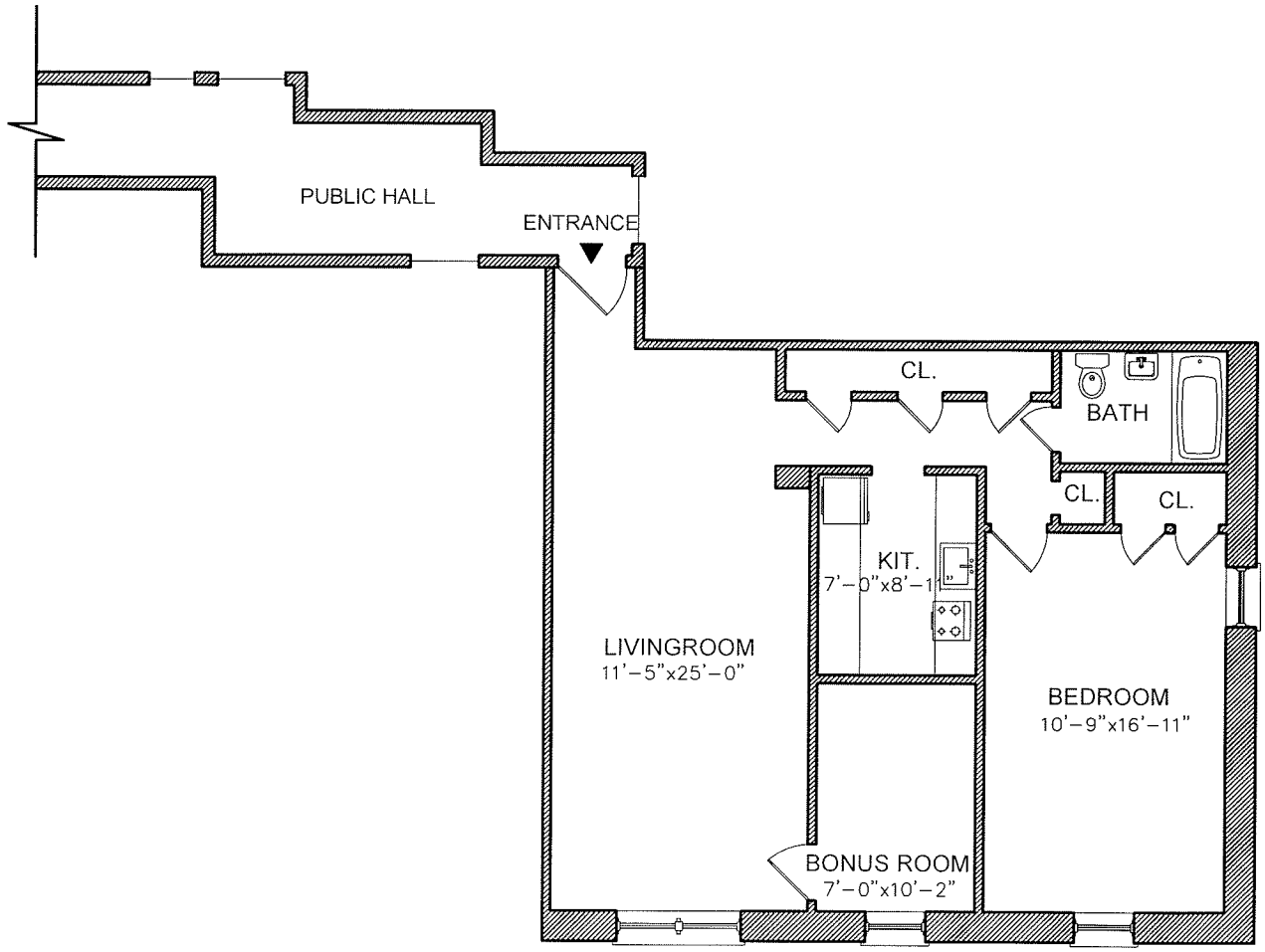
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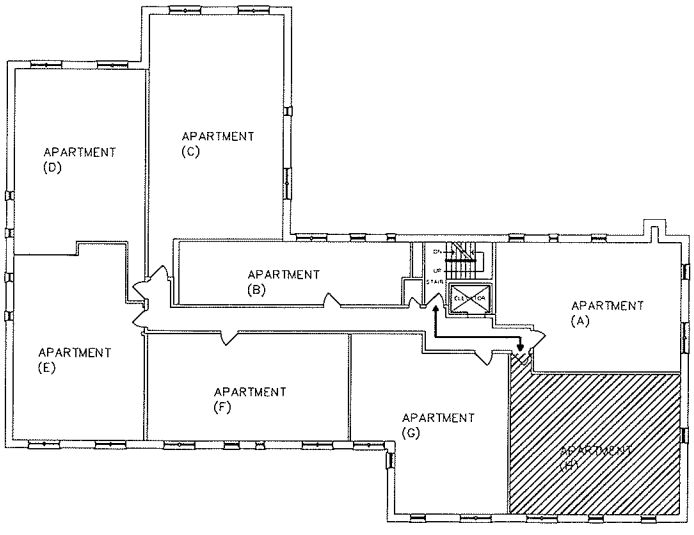
KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

THE BEVERLY CONDOMINIUM





KEY PLAN

UNIT H

SIXTH FLOOR

847 SQ.FT

NORTH SIDE OF BUILDING

N

82-4 LEFFERTS BLVD.

KEW GARDENS, NEW YORK

0 5 10 20

01-09-18

SCHEDULE G

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
82-04 LEFFERTS BOULEVARD, KEW GARDENS
CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

CONDO #

NAME: THE BEVERLY CONDOMINIUM

DECLARANT: 82-04 Lefferts Tenants Corp.
c/o Auric Real Estate Management LLC
97-07 63rd Road Mgmt Office
Rego Park, NY 11374

DATE OF DECLARATION: May , 2022

BLOCK: 3330
FKA LOT:
NKA LOTS:

Record and Return To:

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 BROADWAY, 39TH FLOOR
NEW YORK NY 10018

SCHEDULE G

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PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF THE THE BEVERLY CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the Borough and County of Queens, City and State of New York on this ___ day of _____, 2022, 82-04 Lefferts Tenants Corp., a corporation organized and existing under the laws of the State of New York, whose principal office is situated at c/o Auric Real Estate Management LLC, 97-07 63rd Road Mgmt Office Rego Park, NY 11374, hereinafter referred to as the "Declarant" or "Sponsor" represented in this Declaration by _____, who is fully empowered and qualified to execute this Declaration on behalf of the company does hereby state:

FIRST: SUBMISSION OF PROPERTY. By this Declaration the Declarant submits the property described in this Declaration, including the land and the Building and 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, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: DESCRIPTION OF PROPERTY. The Declarant owns all that certain plot, piece or parcel of land, with the building and improvements thereon erected, situate, lying and being in Borough and County of Queens, City and State of New York, and more particularly bounded and described on Exhibit A annexed hereto and made a part hereto.

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

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.

2. "Board Member" or "Member" - Each individual representative elected, designated or appointed to the Board of Managers. The Board Members are classified as follows:

   (a) "Residential Members" – The Members of the Board of Managers elected by the Residential Units Owners, exclusively.

   (b) "Commercial Members" – The Members of the Board of Managers elected or appointed by the Commercial Units Owner(s), exclusively.

3. "Building" - The six (6) story building containing forty (40) Residential Units, four (4) Commercial Units, and thirteen (13) Garage Parking Units.

4. "By-Laws" - The document governing the operation of the Condominium.

5. "Commercial Units" – The Commercial Units designated in the Declaration of Condominium for commercial use.

6. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

7. "Common Elements" - All portions of the Condominium, other than the Units. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners, Individual Residential Units and the Commercial Units Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner or the Commercial Units Owner and General Residential Units' Limited Common Elements which are Common Elements restricted for the exclusive use of the Residential Unit Owners.

8. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

9. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements.

10. "Community" or "Development" - As used herein refers to The Beverly Condominium.

11. "Condominium" – The Beverly Condominium which is comprised of the Common Elements, Units and Unit Owners.

12. "Declaration of Condominium" - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time is amended, consistent with the provisions of the Condominium Act and of the By-Laws.

13. "Garage Parking Unit" – One (1) of the thirteen (13) Garage Parking Units designated in the Declaration of Condominium for garage parking within the building.

14. "General Common Elements" – shall mean and refer to those common elements shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Units or Unit Owners).

15. "Holder of Unsold Units" - An "Unsold Unit" is a Unit that is owned by the sponsor of a public offering of such Unit, as defined in 13 NYCRR Part 23 and any successor in interest to such sponsor who does not occupy the Unit for use and occupancy by himself or a member of his immediate family and who has registered as a broker-dealer with the Investor Protection Bureau of the State of New York. A person who owns such a Unit is called a "Holder of Unsold Units."

16. "Irrevocably Restricted" or "Limited Common Elements" - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The Limited Common Elements are divided as follows:

    (a) "General Residential Units' Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of the Residential Unit Owners.

    (b) "Individual Residential Unit Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Residential Unit.

    (c) "Commercial Units Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of the Commercial Units.

17. "Purchaser" - The person(s) who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

18. "Residential Unit" - One (1) of the forty (40) Residential Units designated in the Declaration of Condominium for residential use.

    The approximate physical dimensions of each Residential Unit shall consist of the area measured horizontally from the outside face of exterior walls to the centerline of the walls separating adjacent Units, to the outside face of drywalls and/or interior walls separating the Units from the utility rooms/closets and stairs, and to the outside face of the walls separating a Unit from the corridors, and enclosed vertically by the underside of the Residential Unit's finished flooring and the unexposed side of the Residential Unit's drywall ceiling where applicable. The doors

and windows which open from the Residential Unit shall be deemed part of the Residential Unit. No Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines or Common Elements running through the Residential Unit which are utilized for or serve more than one (1) Residential Unit. The Description of Residential Units set forth herein pertains to the location of the walls, floors and roof of the Residential Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

As used herein the terms "Residential Unit", "Commercial Units" and "Garage Parking Unit" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

19. "Sponsor" – 82-04 Lefferts Tenants Corp. a New York limited liability company with an address at c/o Auric Real Estate Management LLC, 97-07 63rd Road Mgmt Office, Rego Park, NY 11374

20. "Commercial Units" means the four (4) Commercial Units to be sold by Sponsor.

21. "Unit" - A Unit includes all the Units in the Condominium and are divided as follows:

    (a) "Residential Units" - The Units designated in the Declaration of Condominium for residential use.

    (b) "Commercial Units" – The Unit designated in the Declaration of Condominium for commercial use.

    (c) "Garage Parking Unit Owner" – The Units designated as Garage Parking Units in the Declaration of Condominium.

As used herein the term "Residential Unit, Commercial Units and Parking Space Units" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

22. "Unit Owner" - A Unit Owner includes all the Unit Owners in the Condominium and are divided as follows:

    (a) "Residential Unit Owner" - The owner of a Residential Unit.

    (b) "Commercial Units" – The owner of the Commercial Units.

    (c) "Garage Parking Unit Owner" – The owner of a Garage Parking Unit.

FOURTH: COMMUNITY. The Declarant is constructing on the parcel of land described above a Condominium Community known as The Beverly Condominium, according to the plans filed simultaneously with the recording of this Declaration in the Office of the Register of the City of New York, Queens County, with Plot Plans and Unit layouts along with a description of the Building stating the number of stories and number of Units.

The Community will consist of forty (40) Residential Units, four (4) Commercial Units, thirteen (13) Garage Parking Units as set forth on the Floor Plans filed simultaneously with this Declaration. The Building structure will be masonry, steel and concrete. For the purposes of describing the location of a Building, approximate area, type and number of rooms of each Residential Unit and the Common Elements to which each Unit has immediate access, each Unit is described on Condominium Plan annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership in, and exclusive right of occupancy and possession of, the Unit, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. Each Unit Owner will automatically become a part of the Condominium. The aforesaid Condominium has a total lot area of approximately 50,000 square feet.

FIFTH: COMMON ELEMENTS. The Common Elements will consist of the entire property, including all parts of the Building and improvements thereon, other than the Units, and will consist of General Common Elements to be shared by all Unit Owners and Limited Common Elements irrevocably restricted in use to specified Residential Unit Owners.

A. General Common Elements - General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements and include without limitation the following:

1. The land on which the Building is erected and all other land within the boundaries of the property;

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Residential Units located between the unexposed faces of the sheetrock walls enclosing the Residential Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock;

4. Roofs, stairs and stairways, which are not located wholly within a Residential Unit and which are not designated as Limited Common Elements, and entrances to and exits from a Building other than entrances to the individual Units;

5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, refuse rooms, equipment rooms, laundry room and any other mechanical rooms or areas that service two (2) or more Units;

9. All pedestrian walkways, intended for the common use of all Unit Owners; and

10. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property.

B. Irrevocably Restricted Areas/Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Commercial Units' Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of individual owners of the Commercial Units and are herein sometimes collectively referred to as the "Commercial Units Limited Common Elements":

   (a) The entrances to and exits from the Commercial Units.

   (b) The equipment and facilities that service solely the Commercial Units and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables,

conduits and lines) which will serve or benefit exclusively the Commercial Units.

(c) All signage and exterior decoration and painting, canopies shall be subject to Board approval.

The Commercial Units Limited Common Elements servicing the individual Commercial Units shall be maintained, repaired and replaced by the individual Commercial Unit Owners at the Commercial Unit Owners' sole expense.

2. General Residential Units' Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

(a) The residential entrance and lobby.

(b) The residential stairway.

(c) The residential elevator.

(d) The residential hallways

(g) Any heating, cooling or other mechanical system servicing exclusively the Residential Units that are located in the Common Elements.

(h) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively all the Residential Units.

3. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements":

(a) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

(b) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit.

C. Provisions Applicable to All Common Elements -

1. The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

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

3. The percentage of the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.

4. The undivided interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SIXTH: CHANGES TO COMMERCIAL UNITS.

Except to the extent prohibited by law, the Declarant, its successor, assignee or designee and the Commercial Units Owner shall have the right, with the vote or consent of the Board of Managers, which shall not be unreasonably withheld or delayed, to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Commercial Units; (b) change the layout of, or number of rooms in the Commercial Units from time to time; (c) change the size and/or number by subdividing the Commercial Units into two or more separate Commercial Units, combining separate Commercial Units (including those resulting from such subdivision or otherwise) into one or more Commercial Units(s), altering the boundary walls between any Commercial Units, or otherwise; (d) if appropriate, reapportion among the Commercial Units(s) affected by such change in size or number pursuant to the preceding clause their percentages of interest in the Common Elements; provided, however, that the percentage of interest in the Common Elements of any other Commercial Units shall not be changed by reason thereof unless the owners of such Commercial Units shall consent thereto and, provided further, that the Declarant, its successor, assignee or designee and the Commercial Units Owners shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Commercial Units Owners harmless from any liability arising therefrom. Subject to all state and city laws.

Nothing contained in this Declaration shall prohibit the division or consolidation of any Commercial Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of the new

Commercial Units than existed for the total of the original Commercial Units before division or consolidation. An amendment to this Declaration authorized by this paragraph of Article Sixth may be filed by the Declarant or new Commercial Units Owner with the vote or consent of the Board of Managers, which shall not be unreasonably withheld or delayed or any other Commercial Units Owner provided the percentage of common interest of all other existing Commercial Units is not affected thereby.

SEVENTH: EASEMENTS. All pipes and maintained wires, conduits and public utility lines located within each Unit shall be owned and maintained by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements and servicing two or more Units, will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit. The cost of such repairs shall be a Common Expense. In the event any portion of such pipes, wires, conduits and public utility lines is located in any of the Limited Common Elements, the cost of any repairs to such pipes, wires, conduits and public utility lines shall be the sole responsibility of the respective Unit Owner(s) for whom the Limited Common Element is limited in use. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to or upon any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing construction and sale of the Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private

water, sewer, drainage, cable television, solar energy panels and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Elements. The Declarant, its successors and assigns, and purchasers of undeveloped or unsold Units, shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Property to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Declarant's rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Declarant, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units, signs located on the Common Elements, in its efforts to market or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant.

Each Unit Owner hereby grants a right of access to and through their Unit to Declarant or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements and/or the Units.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any common elements or systems for all Units including but not limited to flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, intercom systems, conduits, equipment or meters servicing any portion of the Building.

Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacement thereof and

additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Declarant, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Declarant's, Board of Managers or Unit Owner's employees, agents, contractors, suppliers, licensees, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Declarant, the Unit Owner or Board of Managers.

Each Unit Owner will have a right and easement to use its Unit and the Limited Common Elements appurtenant to such Unit, and the General Common Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical shall be granted an easement of ingress and egress over, upon and through any access areas in The Beverly Condominium. This Paragraph may not be amended by the Unit Owners in the Condominium.

EIGHTH: SERVICE OF PROCESS: Service of process on the Residential Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: 82-04 Lefferts Tenants Corp., c/o Auric Real Estate Management LLC, 97-07 63rd Road Mgmt Office, Rego Park, NY 11374. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent of this Condominium is: Board of Managers, The Beverly Condominium, c/o Auric Real Estate Management LLC, 97-07 63rd Road Mgmt Office, Rego Park, NY 11374, New York or such other address as the Board of Managers of the Condominium selects.

NINTH: COMMON INTEREST. Each Unit Owner shall have such percentage of I interest in the Common Elements as is set forth in Schedule A attached hereto and shall bear such percentage of the Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors

of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. The Declarant has made the reasonable assumptions that the share allocations made when the Building was originally converted from rental to a cooperative form of ownership took all the referenced factors into account and has therefore adopted as the percentage of interest in the Common Elements for each Unit the ratio of the allocated shares to the total shares of all 40 residential units in the Building and all 13 garage parking spaces after allocating a certain percentage of interest in the Common Elements for the four (4) Commercial Units based on their relative size and location. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

TENTH: ADMINISTRATION. The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit "B".

ELEVENTH: AMENDMENTS AND WITHDRAWAL.

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in Common Interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

1. No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

2. No amendment shall be passed which shall impair of prejudice the validity, interest, rights and priorities of mortgagees.

3. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Declarant or its designee or any Unsold Unit, as long as the Declarant owns an Unsold Unit in the Condominium unless the

Declarant has given its prior written consent thereto. This provision is not subject to amendment.

4. In the case of material changes, approval must be obtained from first mortgage holders representing at least fifty-one (51%) percent of the votes of Units that are subject to first mortgages. A change to any of the following would be considered as material: voting rights; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of common elements; responsibility for maintenance and repairs; reallocation of interests in the general or limited common elements, or rights to their use; boundaries of any Unit; convertibility of Units into Common; elements or vice versa; expansion or contraction of the project, or the addition, annexation or withdrawal of property to or from the project; insurance or fidelity bonds; revisions to the leasing provisions of Units contained in Article XI of the By-Laws; imposition of any restrictions on a Unit Owner's right to self or transfer his or her Unit; a decision by the Condominium to establish self-management when professional management had been required previously by an eligible mortgage holder; restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents; any action to terminate the legal status of the project after substantial destruction or condemnation occurs; or any provisions that expressly benefit mortgage holders, insurers or guarantors. An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only. Any eligible mortgage holder who received a written request by certified or registered mail, return receipt requested to approve amendments who does not deliver to the Condominium a negative written response within sixty (60) days of the receipt of the request shall be deemed to have approved such amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

C. The Declarant, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, Queens County and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of

the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant percentage of Common Interest does not change for said Unit, or (v) to amend Schedule B of this Declaration to consolidate Units subject to all necessary approvals by the City of New York, to revise the square footage and type and number of rooms and any other required information for a specified Unit and to change the appurtenant percentage of Common Interest so long as the new percentage of Common Interest equals the combined percentage of Common Interest of the Units that were combined, or (vi) to effectuate permissible changes in unsold Units or (vii) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (viii) the carrying out of other provisions of the Offering Plan of The Beverly Condominium.

D. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Register of the City of New York, Queens County.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

TWELFTH: SUBJECT TO DECLARATION, BY-LAWS, ETC. All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of use or occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

THIRTEENTH: COMMON CHARGES. All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his or her Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium

shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all cost of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

FOURTEENTH: UNITS ACQUIRED BY THE BOARD. In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

FIFTEENTH: POWER OF ATTORNEY. In order to carry out the provisions of Article Thirteenth of the Declaration and Article XI of the By-Laws, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit acquired by the Board of Managers under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal

with such Unit under such terms as the Board in its sole discretion shall deem proper. Each Unit Owner shall upon becoming a Unit Owner further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Unit Owner's Condominium Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium.

SIXTEENTH: ENCROACHMENTS. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforedescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SEVENTEENTH: UNIT OWNERSHIP. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason. Occupancy of the Residential Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium. Occupancy of the Commercial Units shall be restricted to commercial occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium and shall exclude food or chemicals (except for medical use).

EIGHTEENTH: USE OF UNITS.

A. Residential Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Community.

B. The Commercial Units shall be restricted in use, in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium including without limitation, to retail related uses and shall exclude food or chemicals (except for medical use)

C. Garage Parking Units may be used only for the purpose of parking

automobiles and other permitted vehicles only. In no event shall Garage Parking Units be enclosed or converted into additional residential living or storage space.

NINETEENTH: CONVEYANCE OF A UNIT. In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

TWENTIETH: COVENANT OF FURTHER ASSURANCES. Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, 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.

If any Unit Owner or any other party 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 thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers 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.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and

deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Limited Common Elements, however described, the General Common Elements or the Building. In the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Element, the General Common Elements or the Building, the Condominium Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days additional notice to the Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Board of Managers send a Remedy Notice. If the Board of Managers fails or otherwise determines not to send the Remedy Notice, the Unit Owner will have all rights to enjoin, abate or remedy by appropriate legal proceedings against the other Unit Owner or the Board of Managers, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith.

The Board of Managers will not promulgate and/or enforce any rules or regulations, or otherwise act, in a discriminatory manner.

TWENTY-FIRST: COVENANTS AND RESTRICTIONS. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

(a) The Residential Unit and area restricted to the Residential Unit Owner's use shall be maintained in good repair and overall appearance.

(b) No alteration, addition, decoration or change to any part of the Common Elements may be made and no structure or other improvement may be built or placed on any portion of the Common Elements or Limited Common Elements or any portion of the Condominium which affects two (2) or more Units, without the written consent of the Board of Managers. The provisions of this paragraph shall not apply to Declarant.

(c) No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their

Residential Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Residential Units or the Common Elements, without the prior written approval of the Board of Managers. In addition, no Residential Unit Owner may alter or remove any interior wall without written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element (which shall not include the installation of washing machines, dishwasher or any other appliance or equipment that may increase power consumption or change in heating systems or requirements) without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Residential Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural

addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

In the event a Residential Unit Owner violates this provision of the Declaration, the Board of Managers, in addition to all remedies it may have under this Declaration and the By-Laws, may institute legal action against the Residential Unit Owner for the enforcement of this provision. In such an event, the Residential Unit Owner shall be responsible for the payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit, as well as all costs associated with remedying the violation.

These provisions shall not apply to Residential Units owned by the Declarant or its designee until such Residential Units shall have been initially conveyed by the Declarant or such designee.

(d) Any interior alterations or improvements made to a Residential Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(e) The Commercial Units Owners shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Commercial Units, or any Limited Common Element for their exclusive use, with the prior written approval of the Board of Managers. However, the Commercial Units Owners must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and the Commercial Units Owners shall not make any structural addition, alteration or improvement in or to any Commercial Units or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York, Queens County or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the

Commercial Units Owners shall pay the charges of such architect or engineer. The Commercial Units Owners shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Commercial Units or Limited Common Element for its exclusive use shall be completed by the Commercial Units Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

Any interior alterations or improvements made to a Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(f) Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of the mortgagee.

(g) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(h) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(i) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(j) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(k) Garage Parking Units may be used only for the purpose of parking automobiles and other permitted vehicles. In no event shall Parking Space Units be enclosed or converted into additional residential living or storage space.

(m) The Common Charges shall be paid when due.

TWENTY-SECOND: FIRST LIEN HOLDERS' RIGHTS

(a) Notices of Action. A holder, insurer or guarantor of a first mortgage, upon written request to the Condominium, (such request to state the name and address or such holder, insurer or guarantor and the unit number), shall be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the general or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days; and

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated, is obtained;

(2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated; and

(3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Units to which at least eighty (80%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium which has requested notice in accordance with the provisions of (a) above.

TWENTY-THIRD: SPECIAL RIGHTS OF DECLARANT.

Notwithstanding anything to the contrary contained herein Declarant, its successors, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

(a) have its employees, contractors, subcontractors and sales agents present on the properties described in Exhibit "A" and any Building erected thereon;

(b) erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Units;

(c) use any one or more Units as;

(i) model Units,
(ii) offices for the promotion, sale, rental, management and/or operation of any unsold Units,
(iii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or
(iv) for any other purpose;

(d) do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

(i) the promotion, sale, rental, management and/or operation of any unsold Units,

(ii) the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or

(iii) the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws or the rules and regulations;

(e) make any other changes required by the City of New York or other Municipal Agency.

In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Third may not be amended without the written consent of the Declarant, or its successors or assigns.

TWENTY-FOURTH: INVALIDITY. Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

82-04 Lefferts Tenants Corp.

By:_____
Chandra Jain, President

STATE OF NEW YORK)
) ss.:
COUNTY OF QUEENS)

On the ____ day of _____ in the year 2022, before me, the undersigned a Notary public in and for said state, personally appeared Chandra Jain, personally known to me or proved to me on the basis of satisfactory evidence to be the person 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 person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

(TO BE COMPLETED PRIOR TO RECORDATION)

SCHEDULE A

The estate or interest in the land described or referred to in this Commitment is fee simple.

The fee simple estate or interest in the Land described or referred to in this Commitment is owned, at the Effective Date by: 82-04 Lefferts Corp. by deed from Alizio Realty Company dated 02/11/1986 and recorded with Division of Land Records on 03/19/1986 in Reel 2045, Page 289.

KNOWN AND DESIGNATED AS Unit No. situated in The Beverly Condominium, a Condominium, together with an undivided ____% percentage in the Common Elements appurtenant thereto, in accordance with and subject to the terms, limitations, conditions, covenants, restrictions and other provisions of the Condominium Declaration of _____, dated _____ and recorded on _____ in the Queens County Clerk's/Register's Office in Deed Book _____ page _____ and following, and any amendments or supplements subsequent thereto.

ALL that certain plot, piece or parcel of land with the buildings and improvements thereon erected, situate, lying and being in the Borough of Queens, in the State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Beverly Street with the westerly side of Lefferts Boulevard;

RUNNING THENCE southerly along the westerly side of Lefferts Boulevard, 35.77 feet to a point of curve; THENCE southerly still along the westerly side of Lefferts Boulevard on a curve bearing to the left, having a radius of 1008.217 feet, a distance along said curve of 97.52 feet (97.45 feet as shown on survey):

THENCE westerly and parallel with the southerly side of Beverly Street, 108.66 feet;

THENCE northerly at right angles to the southerly side of Beverly Street, 50 feet;

THENCE easterly and parallel with the southerly side of Beverly Street, 55.31 feet (55.00 feet as per survey);

THENCE northerly at right angles to the southerly side of Beverly Street, 80 feet to the southerly side of Beverly Street:

THENCE easterly along the southerly side of Beverly Street, 82.46 feet to the corner at the point or place of BEGINNING.

For Information Only. The land referred to in this Commitment is commonly known as:
Address: 82-04 Lefferts Avenue
Kew Gardens, NY 11225

County: Kings
Section:
Block: 3330
Lot: 33

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
82-04 LEFFERTS BOULEVARD, KEW GARDENS
CITY AND STATE OF NEW YORK,
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

CONDO #

NAME: THE BEVERLY CONDOMINIUM

DECLARANT: 82-04 Lefferts Tenants Corp.
c/o Auric Real Estate Management LLC
97-07 63rd Road Mgmt Office
Rego Park, NY 11374

DATE OF DECLARATION: May , 2022

BLOCK: 3330
FKA LOT:
NKA LOTS:

Record and Return to:

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 BROADWAY, 39TH FLOOR
NEW YORK NY 10018

BY-LAWS

OF

THE BEVERLY CONDOMINIUM

MORITT HOCK & HAMROFF LLP
Attorneys for the Sponsor
1407 Broadway, 39th Fl.,
New York, New York 10018

EXHIBIT B
to the Declaration of Condominium

SCHEDULE H

BY-LAWS

OF

THE BEVERLY CONDOMINIUM

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BY-LAWS

OF

THE BEVERLY CONDOMINIUM

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Unit Ownership. The property located at 82-04 Lefferts Boulevard, Kew Gardens, Queens County, City and State of New York as specifically set forth in the Declaration and more commonly known as The Beverly Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Building and improvements thereon including the Condominium Units (hereinafter referred to as "Residential Units", "Commercial Units", and "Garage Parking Units"), and the Common Elements and the use and occupancy thereof, the term "Building" as hereinafter used shall be as defined in the Declaration of Condominium.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of use or occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

Section 4. Definitions. The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise indicated.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The Condominium shall be limited to Unit Owners.

Section 2. Voting. Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units (including, without limitation, for each Board member to be elected) in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration of Condominium (the "Declaration"). In the event the Board of Managers acquires a Unit on behalf of the Condominium it shall not cast any of its votes appurtenant to such Unit, for the election of any Member of the Board but may be used to establish quorum. "Sponsor" as referred to in these By-Laws shall mean the Declarants who executed the

Declaration and any successor in interest, assignee, of such Declarant's rights or designee of such Declarant.

Section 3. Quorum. So many Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33⅓%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. At such adjourned meeting, any business may be transacted which might have been transacted at the meeting originally called. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least twenty-five (25%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. Any business may be transacted which might have been transacted at the meeting originally called.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners in the City of New York, New York as may be designated by the Board of Managers.

Section 9. Annual Meetings Control of Board of Managers by Holder of Unsold Shares and Sponsor. The initial Board of Managers will call for the first annual meeting of the Unit Owners to elect a new Board of Managers within 90 days of the closing or distribution of the deed to the first Residential Unit. At such meeting, Members of the Board of Managers shall be elected by the Unit Owners, other than the Members of the Board the Sponsor shall have the right to designate, and the former Members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such meetings, there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. The Holder of Unsold Units shall retain the right to designate two (2) Members of the Board of Managers until such time as Holder of Unsold Units longer owns a Residential Unit or a Commercial Unit.

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Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by at least 25% of the Residential Unit Owners. The secretary shall cause a notice of such special meeting stating the date and time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Residential Unit Owner, Commercial Unit Owner and Garage Parking Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential, Commercial and Garage Parking Unit Owners of the Condominium are present in person or by proxy. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed with or without cause by vote of the Members at a special meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the date, time and place where it is to be held, to each Unit Owner of record, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election and only if requested by a Unit Owner present at the meeting)
(g) Election of managers (in the event there is an election)
(h) Unfinished business
(i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Members designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Until succeeded by the Members elected at the first annual meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of five (5) Members shall be elected or designated. The term of office of two (2) of the Members shall be fixed for three (3) years for the two (2) that receive the highest number of votes. The term of office for the next two (2) of the Member shall be fixed at two (2) years for the Member receiving the third and fourth highest number of votes, and the term of office of one (1) of the Member shall be fixed at one (1) year for the Member receiving the fifth highest number of votes. Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting.

Notwithstanding the foregoing, the Holder of Unsold Shares will have voting control and may designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of seventy-five (75%) percent of all Residential Units

in the Condominium, whichever is later. Thereafter, the Holder of Unsold Shares shall retain the right to designate two (2) Members of the Board of Managers until such time as the Holder of Unsold Shares no longer owns a Unit.

This Section may not be amended without the written consent of Sponsor and Holder of Unsold Shares.

Section 2. Vacancy and Replacement. If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members, though less than a quorum, at a special meeting of Members duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. The Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Member's successor to fill the unexpired portion of the term of office. In the event of the failure to hold any election of the Board of Managers at the time designated for the annual election of the Board of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of the Unit Owners to elect a new Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of the Unit Owners. If the vacancy occurs with respect to any Member of the first Board of Managers (see Section 4 of this Article III) or any other Member who has been designated by the Sponsor and the Sponsor still retains ownership of at least one (1) Residential Unit, the Sponsor shall have the sole right to choose such Member's successor to fill the unexpired portion of the term.

Section 3. Removal. Members may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Member, other than a Member of the first Board of Managers or a designee of the Holder of Unsold Units, shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. In the event a Holder of Unsold Units designee is removed for cause and the Holder of Unsold Units still retains ownership of at least one (1) Residential Unit, the Holder of Unsold Units shall have the sole right to designate a replacement.

Section 4. Resignation. Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. First Board of Managers. The first Board of Managers shall consist of the same individuals serving on the Board of Directors of the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. The Sponsor has the right to substitute or change any or all of said representatives of the first Board of Managers. Any or all of said Members shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 6. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of annual Common Charges, if required, to meet any additional necessary expenses, but said increases can only be assessed among all the Unit Owners pro-rata according to their respective percentage of Common Interest. These powers including setting fees, assessments and regulations for rental and use of Common Elements.

2. To collect, use, and expend the Common Charges collected to maintain, care for and preserve the Units, the Building, and other Common Elements;

3. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts;

4. To make repairs, maintain, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;

5. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;

6. To insure and keep insured the General Common Elements, Limited Common Elements and the Units. A Unit Owner must secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;

7. To collect delinquent Common Charges and special Common Charge assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;

8. To make reasonable rules and regulations applicable to the Common Elements of Units and Unit Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding

upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Residential Unit;

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;

10. To bring and defend actions by or against more than one Residential, Commercial and Garage Parking Unit Owner and pertinent to the operation of the Condominium and to retain counsel for such purposes and to levy special Common Charge assessments to pay for the cost of such litigation;

11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

12. To make additions, alternations, or improvements to the General Common Elements of the Condominium and those portions of the Condominium which are included in the description of an individual Unit but which service two (2) or more Units in the Condominium;

13. To borrow money on behalf of the Condominium when required in connection with the financing obligations related to the Declarant's:

    a. conversion from cooperative to condominium without the consent of any Unit Owner. and
    b. operation, care, upkeep and maintenance of the General Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit.

14. Pursuant to Section 339-y (4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Units. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit;

15. To make payment for the real estate taxes assessed to the Building until the Units are separately assessed for taxes and to collect a reasonable adjustment for same from the individual Unit Owners.

16. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted); and

17. To impose reasonable fines upon Unit Owners for violating the rules and regulations of the Community, as contained in these By-Laws, as promulgated by the By-Laws or as incorporated in the House rules which may be amended or replaced from time to time by the Board of Managers.

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to include at least one (1) Member which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for a period ending not more than five (5) years after the closing of title to the first Residential Unit or whenever the unsold Residential Units constitute less than seventy-five (75%) percent of the Common Interest, whichever is sooner, the Board of Managers, may not, without the Holder of Unsold Unit's prior written consent: (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, in excess of the reserve for contingencies contained in the Condominium budget for the first year of operation, (iii) hire any employee in addition to the employees referred to in the Plan of Condominium ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of closing of the first Residential Unit, or (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, or (vii) charge any special Common Charge assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior

year's budget, unless documentation is provided to the Holder of Unsold Unit in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Holder of Unsold Unit in order to commence a lawsuit against the Holder of Unsold Unit or any of its principals.

(d) Notwithstanding Article III, Section 6(c) of these By-Laws Holder of Unsold Unit may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any matter regarding the health and safety of the occupants of the Building; or

(iv) to remedy any work order by an insurer.

(e) Holder of Unsold Unit may exercise veto power over expenses, other than those described in Article III, Sections 6(c) and (d) of the By-Laws, for a period ending not more than five (5) years after the closing of the first Residential Unit or whenever the unsold Residential Units constitute less than two-thirds (66.67%) of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor and Holder of Unsold Unit.

Section 7. Repairs and Maintenance. All maintenance, repairs and replacements to the Common Elements including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall arrange for the repair all Common Elements including but not limited to plumbing stoppages, electrical repairs, general repairs, cleaning, painting and any requirements from governmental officials or agency for the safety and security of residents within in the Common Elements.

All maintenance within the Unit including but not limited to electrical and plumbing repairs in the Units, painting and decorating of the inside of the Units, repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers on behalf of the Condominium), kitchen cabinets, lighting fixtures, bathroom fixtures, kitchen applicances

and repairs to any heating (boiler)/air conditioning/hot water system servicing a Unit, pipes, wires and conduits located within or without the same Unit other than as set forth above shall be made by the respective Unit Owners at their own expense.

All general maintenance, cleaning and all repairs not structural in nature, including but not limited to the repair of leaks shall be the responsibility of the Residential Unit Owner whose fire escape is appurtenant to their Residential Unit and is a Limited Common Element of their Residential Unit. No Residential Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to any Limited Common Element, without the prior written approval of the Board of Managers. Any repair or replacement to any Limited Common Element by a Residential Unit Owner, if permitted, shall conform to the requirements contained in Article Eighteenth (2) of the Declaration of Condominium. The fire escapes are not permitted to be used for storage and are not permitted to be enclosed. All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Unit exclusively shall be the responsibility of the Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor or approved by the Board of Managers.

All maintenance, repairs and replacements to the Garage Parking Limited Common Elements will be made by the Board of Managers and the cost thereof will be a Common Expense payable by all Unit Owners. In the event a Garage Parking Unit is damaged by a Garage Parking Unit Owner or his/her guests, all costs associated with the repair of such damaged Garage Parking Unit shall be charged back to the Garage Parking Unit Owner by the Board of Managers.

The Board of Managers on behalf of the Condominium shall repair and replace any public utility lines located underground or overhead of any Limited Common Element except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the Unit Owner to which the Common Element is restricted in use, in which event such Unit Owner shall make such repairs or replacements at their own expense.

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under the By-Laws or the Declaration of the Condominium. Such right of

access shall be exercised in such manner as will not unreasonably interfere with the use of the Residential Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

In the event that a Unit Owner fails to perform any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board of Managers charges a Unit Owner for repairs or maintenance to Unit Owner's Unit or for repairs to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable Attorneys' fees and costs of such suit or proceeding together with interest on all sums due and such charges shall be deemed as common charges.

Section 8. Compensation. Members and officers of the Board of Managers, as such, shall receive no compensation for their services unless they are engaged separately to provide any services for reasonable compensation to the Condominium.

Section 9. Meetings.

(a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Member either personally or by mail or email. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Members.

(d) At all meetings of the Board, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an

act of the majority of the Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Members of the Board may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 10. Annual Statement. The Board of Managers shall furnish to all Unit Owners and their mortgagees and shall present annually (at the annual meeting, but in no event later than five (5) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting.

Section 11. Fidelity Bonds. The Board of Managers shall require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

Section 12. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 13. Liability of the Board of Managers, Officers and Unit Owners. No Member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as a Member of the Board or officer, provided that this provision does not eliminate or limit the liability of a Member of the Board or officer if a

judgment or other final adjudication adverse to him or her establishes (a) that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he or she personally gained in fact a financial profit or other advantage to which they were not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board or officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a Member of the Board or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board or officer if a judgment establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of these By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 14. Corporate Dissolution. Notwithstanding any provision in this Article or any other provision in the Certificate of Incorporation, By-Laws and the Proprietary Leases of the Corporation, in the event that the shareholders and directors of the Corporation shall approve the distribution of the Corporation's fee simple interest in the real property to its shareholders as part of a plan to convert such property to condominium form of ownership ("Conversion Plan") and to ultimately dissolve the Corporation under applicable state laws, the following provisions shall be effective as to the Corporation and all shareholders:

a) All Directors constituting the Board of Directors at the time of the recording of the Declaration shall remain in office and shall have their terms extended to the date that the Corporation is fully dissolved ("Wind-Down Period").

b) The Corporation shall be dissolved by an act of the Board of Directors when no shares of the Corporation are outstanding and all assets of the Corporation have been distributed to shareholders, shareholder's assigns or the new condominium board established as part of the Conversion Plan ("Condominium").

c) The Board of Directors, during the Wind-Down Period, shall have the duty to carry out the Conversion Plan and, where appropriate, authorize the execution and recording of such documents that shall advance the Conversion Plan in an expeditious manner and shall be prohibited from taking any action that would in any way delay or frustrate the completion of the Conversion Plan.

d) Any vacancies on the Board of Directors during the Wind-Down Period shall be filled for the remainder of the period by a majority of votes cast at a special or regular meeting of the remaining directors.

e) For the purposes of this Section, "a director may be any person who has attained the age of majority who does not have to be a shareholder of the Corporation but must be a member of the Condominium.

f) All Directors constituting the Board of Directors of the Corporation at the time of the recording of the Declaration shall be appointed as Managers of the resulting Condominium Board of Managers until their respective resignation, removal or the election of successor Directors as provided in the Condominium By-Laws."

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a

Treasurer. The Board of Managers may also choose one (1) or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners, Members of the first Board of Managers or designated Members of the Board of Managers of the Sponsor. Two (2) or more offices may be held by the same person, except that the President may only hold the office of President.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a President, a Vice-President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; the President shall preside at all meetings of the Unit Owners and Members, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York.

Section 6. The Vice-President. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

Section 8. The Treasurer. The Treasurer shall have the care and custody of the Condominium funds and securities and shall keep full and accurate chronological

accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Member or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such Member or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of

the budget and supplement to the budget to every Unit Owner. They shall determine the total amount required, including the operational items such as insurance, salaries, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interest appurtenant to such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the Common Elements restricted to the use of the Unit Owner of said Unit.

Said assessments shall be payable monthly or such other manner as ordered by the Board of Managers and shall be referred to as Common Charges. Special Common Charge assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all special Common Charge assessments assessed against the Unit Owner's own Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late charge" of $.15 for each $1.00 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 two (2%) percent per month (but in no event in excess of the maximum rate theretofore collected on such amounts) computed from the due date thereof, and (c) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges in the 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.

In addition, in the event of a default in payment of Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board may take action to collect any Common Charges due from any Unit Owner which remains unpaid thirty (30) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise. During the period of time the Holder of Unsold Shares retains a majority of the seats of the Board of Managers, the Holder of Unsold Shares will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

No Unit Owner shall be liable for any Common Charges, which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit by the Unit Owner in accordance with these By-Laws and the Declaration. A purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit as well as unpaid Common Charges assessed against the Unit at the time of the purchase. However, where a holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquiree of title, its successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquiree. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

Section 3. Purpose of Common Charges. The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to repair and maintenance of the General Common Elements, including but not limited to all sewer and drainage pipes for the Building; insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies; reserve fund and any other expenses that are Common Expenses of the Condominium.

Section 4. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorneys' fees.

Section 5. Statement of Common Charges. Upon the written request of any Unit Owner or their mortgagee, the Board shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 6. Liability for Utilities. Any utility, including gas and electricity, consumed and individually metered in a Unit shall be an expense of each individual Unit Owner.

Section 7. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

Section 8. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

Section 9. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements and Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the General Common Elements and other expenses for, and allocate and assess such Common Charges and Common Expenses among all the Unit Owners in proportion to their respective Common Interests in the Condominium as reflected in Schedule A of the Declaration of Condominium.

The Common Expenses of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VIII and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and expenses are based, to all Unit Owners pursuant to the provisions of Article III, Section 10 of these By-Laws.

The Sponsor or Holder of Unsold Unit or their designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit it sold to a bona fide purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable from generally

acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements, Limited Common Elements and the Units in the Building in the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies, and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners), contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee as defined below, and that the net proceeds thereof, if $125,000 or less, shall be payable to the Board of Managers, and if more than $125,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership applicable to said Unit.

The fire insurance will commence with the Closing of Title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the Closing of Title to all Units. Until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum as provided for in the estimated first year budget contained in the Offering Plan upon completion of the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common

Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employer's liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions.

The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association ("FNMA") and servicers on behalf of FNMA, shall also receive such notice of cancellation or modification.

Unit Owners shall be required to carry insurance for their own benefit that provides for such policies to contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. The Insurance Trustee. The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $125,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Buildings (including any damaged Units, and any kitchen or bathroom fixtures initially installed or conveyed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings, floors and floor coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. General. In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all residents and occupants thereof:

Section 2. Rules and Regulations Applicable to all Unit Owners.

(a) Use

(i) All Residential Units shall be used for residential purposes only. All rentals, other than rentals by the Holder of Unsold Shares, must be subject to local zoning ordinances and must comply with the requirements contained in these By-Laws under Article XI, Section 2.

(ii) The Commercial Units may be used for any lawful use permitted by the applicable zoning laws of the City of New York. The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Units but shall have the right to exclude food or chemicals (except for medical use) and unless it affects the General Common Elements, General Residential Units' Limited Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Board of Managers without the consent of the Commercial Unit Owner which will not be unreasonably delayed or withheld.

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

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner's exclusive use which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms apart, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(e) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

(f) Structural Changes

(i) No alteration, addition or change to any part of the General Common Elements or General Residential Units' Limited Common Elements may be made and no structure or other improvement (including landscaping) may be built or placed on any portion of the Common Elements or Limited Common Elements without the written consent of the Board of Managers.

(ii) No Residential, Commercial or Garage Parking Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential, Commercial or Garage Parking Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no structural addition, alteration or improvement to any fire escape (including the roof terrace), which is a Limited Common Element shall be permitted unless required as a part of the general maintenance, repair or replacement of said fire escape. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and

substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work, and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element for its exclusive use shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Residential Units owned by the Holder of Unsold Shares or its designee until such Residential Units shall have been initially conveyed by the Holder of Unsold Shares or such designee.

(iii) The Commercial Unit Owners shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Commercial Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. However, the Commercial Unit Owner must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Commercial Unit Owner shall make any structural addition, alteration or improvement in or to any Commercial Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the

commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Commercial Unit Owner shall pay the charges of such architect or engineer. The Commercial Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit, including but not limited to permits and certificate of occupancy issued by the New York City Department of Buildings to make a structural addition, alteration or improvement in or to any Commercial Unit or Limited Common Element for its exclusive use shall be completed by the Commercial Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

At the request of a Commercial Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of a Commercial Unit or the operation thereof. The Commercial Unit Owners shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

(g) No resident, owner or occupant of the Condominium shall post any signs, advertisement, or posters of any kind in or on the Common Elements (General or Limited) or their Units including "For Sale" and "For Rent" signs except as authorized and approved by the Board of Managers.

(h) No clothes, sheets, plants, blankets, laundry of any kind or other articles shall be hung out of a Unit or on any fire escapes or exposed on any part of

the Common Elements. The General Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. No rugs or mops shall be shaken or hung from or on any of the doors, windows or fire escapes nor shall a Residential Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

(i) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(j) No television, radio or satellite antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

(k) Each Unit Owner shall keep their Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(l) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct the Unit Owner is legally responsible.

Section 3. House Rules and Regulations for the Residential Units, Individual Residential Units' Limited Common Elements and General Residential Units' Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units. No vehicle belonging to a Residential Unit Owner, to a family member of a Residential Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Residential Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from the Building.

(b) No baby carriages, bicycles, scooters, shopping carts or similar vehicles shall be allowed to stand in the public halls, passageways, elevator, or other public areas of the Building.

(c) No article (including, but not limited to, garbage cans, bottles, mats or shoes) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

(d) Nothing shall be hung or shaken from any doors, windows fire escapes, or placed upon the exterior windowsills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt,

debris or other substance therefrom. The Common Elements, General Residential Units' Limited Common Elements and Individual Unit's Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(e) There shall be no smoking, playing or lounging in the entrances, passages, public halls, vestibules, corridors, or stairways of the Building, except in designated recreational areas, if any, or other areas designated as such in the Declaration or by the Board.

(f) The Board or the Managing agent may, from time to time, curtail or relocate any portion of the Common Elements and/or General Residential Units' Limited Common Elements that may be devoted to storage, recreation, or service purposes in the Building.

(g) Nothing shall be done or kept in any Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in their Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any of the Residential Unit Owner's family members, tenants, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in their Residential Unit or Common Areas any inflammable or combustible fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit.

(h) No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises, smoke or odors to be produced upon or to emanate from their Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Residential Unit Owner's Unit between 11:00 PM and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on

weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(i) No Residential Unit Owner shall install any plantings in the Common Elements or the Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit without the prior written approval of the Board. It shall be the responsibility of the Residential Unit Owner to maintain all plantings in the Residential Units to prevent any damage to floors and walls. Residential Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(j) In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws and applicable zoning, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

(k) The fire escapes (including the roof terraces are not permitted to be used for storage and are not permitted to be enclosed. No plantings are permitted on any fire escape. All drains located on a fire escape must be kept open at all times.

(l) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

(m) No sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or By-Laws or shall have been approved in writing by the Board or the Managing agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

(n) All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(o) No television, radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of a Residential Unit without the prior written consent of the Board of Managers. The Board of Managers may adopt such rules and regulations pertaining to antenna so as to comply with the Federal Communications Commission rules adopted on October 14, 1996.

(p) Water-closets and other water apparatus in the Building shall not be used for any purpose other than those, for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(q) Each Residential Unit Owner shall keep their Residential Unit and any Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(r) The agents of the Board or the managing agent, and any contractor or workman authorized by the Board or the managing agent, may enter any room in a Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, rodents or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

(s) The Board or the managing agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board or the managing agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to their Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the managing agent, then the Board or managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the managing agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property). Every Residential Owner shall provide the Board and managing agent telephone numbers, emails and other contact information including those for emergencies with respect to themselves, their tenants and other residents, if any.

(t) If any key or keys are entrusted by a Residential Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the managing agent, whether for such Residential Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Board nor the

managing agent shall (Except as provided in Rule (r) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(u) No occupant of the Building shall send any employee of the Condominium or of the managing agent out of the Building on any private business.

(v) Any Residential Unit Owner who mortgages or sells their Residential Unit shall immediately notify the Board of Managers, providing the name and address of the new mortgagee or new Residential Unit Owner within thirty (30) days of the execution of the Purchase Agreement of the sale of the Residential Unit for the new Purchaser, but in all events before actual closing.

(w) The Board of Managers shall, at the request of the mortgagee of the Residential Unit, report any delinquent assessments due from the Owner of such Residential Unit.

(x) Every Residential Unit Owner shall be liable for any and all damage to the Common Elements, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Residential Unit Owner is legally responsible.

(y) There shall be no barbecuing on any fire escape (including the roof terrace), rear yard or Common Elements except as may be permitted by the Board of Managers in compliance with any New York City Health or fire codes and regulations.

(z) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the managing agent with respect to services provided and the management of the Building.

(aa) No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in any area of the Condominium or a Unit without the same in each instance having been expressly permitted in writing by the Board or the managing agent of the Building and such consent, if given, shall be revocable by the Board in its sole and absolute discretion, at any time. In no event shall any Unit Owner maintain more than one (1) pet, under twenty (20) lbs., in a Unit (other than fish, which shall be limited to a tank containing not more than twenty (20) gallons) without the consent of the Board, nor shall any bird, reptile, or animal be permitted in any of the public portions of the Building, unless carried or on a leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any

damage caused by their pets to any Common Elements of the Condominium. In no event may any Unit Owner maintain a potentially dangerous dog or other dangerous animal in any Unit or within the Condominium. 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. Each Unit Owner who keeps any type of pet in such Unit Owner's Unit may be required to enter into an agreement with the Board setting forth such other rules regarding pets as the Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet as well as pay any fees charged by the Condominium.

(bb) All Residential Unit Owners shall keep their thermostats at a minimum of sixty (60°) degrees Fahrenheit to prevent freezing of pipes. Any Residential Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Residential Unit.

(cc) All vendors, contractors, sub-contractors and other personal transporting any equipment, appliances, furniture, plants or other fixtures to a Residential Unit must utilize the elevator at times designated for such purpose by the Board of Managers. All Residential Unit Owners, tenants or other residents of the Building moving in or out or transporting any equipment, appliances, furniture or plants or other fixtures must utilize the elevator at times designated for such purpose by the Board of Managers. The Board of Managers may charge a move in, move out fee. Move in, move out will not be allowed on weekends and the Board of Managers or the Managing Agent must be notified at least 48 hours in advance of such activity.

(dd) Neither occupants nor their guests are permitted to play in, exercise or use for any unintended purposes, the entrances, passages, public halls, vestibules, corridors and stairways of the Condominium.

(ee) No public hall or vestibule of the Condominium is permitted to be decorated or furnished by any Residential Unit Owner in any manner. No Candles or incense is allowed in the common areas.

(ff) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Residential Unit, otherwise required by law, except such as will have been approved in writing by the Board of Managers. In no event however, shall any exterior glass surface of any windows of a Residential Unit be colored, painted or decorated in an objectionable manner.

(gg) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(hh) Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building.

(ii) No group tour or exhibition of any Residential Unit or its contents may be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Residential Unit, without the prior consent of the Board of Managers.

(jj) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the managing agent, be conditional in nature.

(kk) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the managing agent, be conditional in nature.

(ll) Further, the Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all Residential Unit Owners, occupants, lessees, guests and any other person residing in the Building, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers 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 for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of Residential Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant will operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

(mm) Complaints regarding the service of the Condominium shall be made in writing to the Board or to the managing agent.

(nn) Unit Owners shall be prohibited from installing a Jacuzzi and/or hot tub, washing machine, dryer or dishwasher within the Residential Unit or in any Limited Common Element.

Section 4. House Rules and Regulations for the Commercial Units and Commercial Units Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building for the exclusive use of the Commercial Units shall not be obstructed or used for any purpose other than ingress to and egress from the Commercial Units. No vehicle belonging to a Commercial Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, agent, customer or client of a Commercial Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(b) No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

(c) Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior windowsills, of the Building or Commercial Unit, and no Commercial Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

(d) There shall be no playing, lounging smoking or eating in the entrances, passages, public halls, vestibules, corridors, or stairways, of the Building servicing the Commercial Unit.

(e) Nothing shall be done or kept in a Commercial Unit or the Commercial Units Limited Common Element for the exclusive use of a individual Commercial Unit that is not used in conjunction with the operation of a Commercial Unit's business or practice that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Commercial Unit Owner shall permit anything to be done or kept in a Commercial Unit or the Commercial Unit's Limited Common Element for the exclusive use of an individual Commercial Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. Neither a Commercial Unit Owner nor any of its tenants, agents, servants, employees, licenses, visitors, clients, patients or customers shall, at any time, be permitted to bring into or keep in a Commercial Unit or the Commercial Unit's Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or a Limited Common Element. In the event the insurance for the Condominium is increased as a result of the specific use of a Commercial Unit, the portion of any insurance premium which results from the specific

use of a Commercial Unit shall be borne by the Commercial Unit Owner pursuant to Section 339-bb of the Real Property Law of the State of New York.

(f) No construction, repair work, or other installation involving noise shall be conducted in any Commercial Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(g) No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Commercial Unit.

(h) The Commercial Unit Owners shall not install any plantings in the General Common Elements, or the Commercial Units Limited Common Elements, without the prior written approval of the Board. It shall be the responsibility of the Commercial Unit Owners to maintain all plantings in the Commercial Units to prevent any damage to floors and walls. The Commercial Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(i) No patients, clients, or other invitees of a Commercial Unit Owner or its tenant shall be permitted to wait in any lobby, public hallway, or vestibule used for the Residential portion of the Building.

(j) No radio or television aerial shall be attached to or hung from the exterior of a Commercial Unit. The Commercial Unit Owners and/or its tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Commercial Unit. No other sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of a Commercial Unit or shall have been approved in writing by the Board or the managing agent. Nothing shall be projected from any window of a Commercial Unit without similar approval. The Commercial Unit Owners and/or its tenants shall not perform or authorize to be performed any painting of exterior doors, frames or walls which open to any exterior area or common element without the Board's approval.

(k) All radio, television, or other electrical equipment of any kind or nature installed or used in a Commercial Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the

Commercial Unit Owners alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(l) Water-closets and other water apparatus in a Commercial Unit shall not be used for any purpose other than those, for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Commercial Unit shall be repaired and paid for by the owner of the Commercial Unit.

(m) The Commercial Unit Owners shall keep the Commercial Units and the Commercial Units Limited Common Elements in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(n) The agents of the Board or the managing agent, and any contractor or workman authorized by the Board or the managing agent, may enter any room in a Commercial Unit at any reasonable hour of the day, on at least one day's prior notice to the Commercial Unit Owner, for the purpose of inspecting such Commercial Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, rodents or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Commercial Unit for its permitted purposes.

(o) The Board or the managing agent may retain a pass-key to the Commercial Units. If any lock is altered or a new lock is installed, the Board or the managing agent shall be provided with a key thereto immediately upon such alteration or installation. If a Commercial Unit Owners are not personally present to open and permit an entry to a Commercial Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the managing agent, then the Board or managing agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the managing agent) may forcibly enter the Commercial Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to the Commercial Unit Owner's property).

(p) If any key or keys are entrusted by the Commercial Unit Owners, their tenant, or by their agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the managing agent, whether for the Commercial Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of the Commercial Unit Owner, and neither the Board nor the managing agent

shall (except as provided in Rule (o) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(q) Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the managing agent, be conditional in nature.

(r) Complaints regarding the service of the Condominium shall be made in writing to the Board or to the managing agent.

(s) The Board of Managers will not have any right to restrict or limit the method of operation, use or appearance of the Commercial Units unless it affects the General Common Elements, General Residential Units' Limited Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute.

(t) The Commercial Unit Owners shall have the right, without the payment of any fees or charges to the Board, to sell or lease their Commercial Unit without interference by the Board. All sale or rental proceeds shall belong solely to the applicable Commercial Unit Owner.

The Rules and Regulations applicable to the Commercial Units may not be amended, modified, added to, or repealed without the written consent of the Commercial Unit Owners.

Section 5. Violations of Rules and Regulations.

(a) Upon receipt, by the President of the Board of Managers or by the managing agent, of a signed written complaint alleging violation of any of the House Rules or other provisions of the By-Laws as herein established or hereafter established or adopted by the Board of Managers, the President of the Board, or in the President's absence, the Vice President together with a minimum of two (2) other Members of the Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the House Rules or other provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

i) A copy of the rule or regulation the Unit Owner has violated and a description of the manner in which the Unit Owner violated the rule or regulation.

ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

(b) If, after said notice and hearing it is determined that the complaint is valid and justified the managing agent shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to five hundred ($500) dollars upon the violator; such fine is to be considered as an additional Common Charge to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If after imposition of a fine the violation is not corrected or eliminated, the Board of Managers may assess additional fines of up to two hundred and fifty ($250) dollars each after serving written notice upon the violator as provided for above. If the violation results in loss of or damage to property classified as a Common Element, the Board of Managers shall itself or direct the managing agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

Section 6. Smoking Policy. In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the following smoking policy has adopted for the Building (the "Smoking Policy"):

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom, garage, garage ramp, walkways, ; and (ii) within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

For the purposes of this Smoking Policy, the term "smoking" includes, but is not limited to, inhaling, exhaling, burning or carrying any lighted cigar, cigarette, pipe or any other form of lighted object or device which contains tobacco, including the use of electronic cigarettes or any similar device that delivers vapor for inhalation (including any refill, cartridge or other component of an electronic cigarette or similar device), or any other items or materials that may be smoked, whether such substance is a legal substance or an illegal substance. This Smoking Policy applies to all unit owners, tenants, subtenants, occupants and residents of the Building, and to any guests, agents, licensees and invitees of a Unit Owner. It is the Unit Owner's responsibility to ensure that its tenants, subtenants, occupants, residents, guests, agents, licensees and invitees comply with this Smoking Policy.

Smoking is PERMITTED within individual apartments and on the terraces, balconies, patios and yards attached to individual apartments (except within twenty-five (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units).

However, if there are reported and substantiated incidents of infiltration of smoke/smoke odors into common areas of the Building (including, but not limited to, hallways) and/or other apartments in the Building, it will be the offending Unit Owner's responsibility, at its sole cost and expense, to abate the nuisance.

Any Unit Owner who sells, leases, or subleases its apartment must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation. This fine shall be in addition to any other violation fine permitted in these By-Laws.

The Board will advise Unit Owners of any changes to the Smoking Policy.

Section 7. Costs. Any costs incurred by the Board of Managers to remedy or cure any violation of these By-Laws, the Rules and Regulations as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the five hundred ($500) dollar fine(s) levied upon the violator which may be amended time to time at the sole discretion of the Board of Managers. Fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with his tenant for the payment of same.

In the event the Condominium institutes legal action for the collection of any fines or the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit.

Section 8. . Board of Managers Right to Change Rules and Regulations The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers 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 for 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 will operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

Notwithstanding the foregoing, the Rules and Regulations applicable to the Commercial Units may not be amended, modified, added to, or repealed without the written consent of the Commercial Unit Owners.

(a) These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (I) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and/or the validity, interest, rights and priorities of holders of a mortgage encumbering a Unit or Units.

(b) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which solely affects the Residential Unit(s), may only be adopted by a vote of at least sixty-six and two-thirds percent (66⅔%) of only the Residential Unit Owners.

(c) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which affects a Commercial Unit, may not be adopted without the written consent of the affected Commercial Unit Owner.

(d) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws, which affects a Parking Space Unit, may not be adopted without the written consent of the affected Parking Space Unit Owner.

(e) Notwithstanding any provision contained herein to the contrary, no amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of the mortgages or the Holder of Unsold Shares.

Section 9. Holder of Unsold Shares. The above provisions shall not apply to the Holder of Unsold Shares unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge or assessment shall remain unpaid for ninety (90) days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the Common Charge

assessment required to be paid by him on its due date, the Board of Managers may collect said fees and take such action as is provided in Article VI, Section 2 of these By-Laws and said Unit Owner shall be liable for the Condominium's reasonable costs and a reasonable attorney's fee incurred by it incident to the collection or enforcement of such lien.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it incident to the collection of the delinquent Common Charges

ARTICLE X. AMENDMENTS

(a) These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Unit.

(b) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Residential Unit(s) may only be adopted by a vote of at least sixty-six and two-thirds percent (66⅔%) of only the Residential Unit Owners.

(c) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which affects a Commercial Unit may not be adopted without the written consent of the affected Commercial Unit Owner.

(d) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which affects a Parking Space Unit may not be adopted without the written consent of the affected Parking Space Unit Owner.

(e) Notwithstanding any provision contained herein to the contrary, no amendment to the By-Laws shall be passed which shall impair or prejudice the validity, interest, rights and priorities of the mortgages or the Holder of Unsold Shares.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

Section 1. Selling and Leasing Residential Units. Any Residential Unit may be conveyed or leased, subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Residential Unit Owner free of any restrictions except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease their Residential Unit unless and until all unpaid Common Charges assessed against the Residential Unit Owner's Residential Unit shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Residential Unit, or by the Grantee. Notwithstanding the above any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease prior to its execution. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Garage Parking Units can only be sold and/or conveyed to a current or future Residential Unit Owners. Further, a Unit Owner may convey the Unit Owner's Unit and Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a first mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

Whenever the term "Residential Unit" is referred to in this section, it shall include the Residential Unit, the Residential Unit Owners undivided interest in the Common Elements and the Residential Unit Owners interest in any Residential Units acquired by the Board of Managers.

Section 2. Leasing Requirements. Except as noted in Sections 4, 5 and 6 every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) the lease must be in writing;
(b) the lease must be for the entire Residential Unit;
(c) the lease must be for a minimum and maximum of twelve (12) months. Renewals shall be for a one (1) year term and are subject to review by the Board of Managers of the Condominium;
(d) the Residential Unit must be covered by adequate renter's insurance for the duration of the lease and any subsequent extensions. A copy of such policy shall be forwarded to the Board of Managers prior to a tenant taking occupancy of a Residential Unit.

(e) the use of the premises is subject to the Declaration and the By-Laws of the Condominium and the rules and regulations of the entire Condominium;

(f) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the managing agent or if no managing agent to a Member of the Board of Managers of the Condominium;

(g) all leases must contain a provision that the tenant has received a copy of the current Rules and Regulations and agrees to be bound by same, as they may be amended from time to time;

(h) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the managing agent or if no managing agent to the Board of Managers of the Condominium for review;

(i) the Residential Unit cannot be used as a motel, hotel, Air BNB or otherwise for transient tenants or occupants;

(j) it is expressly prohibited to use the Residential Unit in connection with any reservation service for temporary and/or short-term occupancy.

(k) if any Residential Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any rules and regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

(l) the Unit Owner or a family member of the Unit Owner must have lived in the Unit as his primary residence for a minimum of two (2) years.

(m) the percentage of all nonowner-occupied Units in the Building excluding units owned by the Holder of Unsold Units is less than 25%.

In order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Unit Owner shall upon becoming a Unit Owner grant or be deemed to have granted an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Residential Unit Owner's Condominium Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the

nature of the violation of the rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

The foregoing restrictions of Sections 1 and 2 of this Article XI shall not apply to Units owned by the Holders of Unsold Units or any mortgagee acquiring title to a Unit, in a foreclosure or otherwise. The Holder of Unsold Units, its successors, assignees or designees; any mortgagee acquiring title to a Unit in a foreclosure or otherwise shall have the right to freely sell their Unit or to freely lease all or any part thereof without first having to offer the same for sale or lease to the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the applicable Unit under New York City zoning and occupancy requirements.

Section 3. Tenant Bound by Declaration. By becoming a tenant, each tenant agrees to be bound by the Declaration, By-Laws and the other rules and regulations of the Condominium and recognizes and accepts the right and the power of the Board of Managers of the Condominium to evict the tenant for any violation by the tenant of the above, and the other rules and regulations of the Condominium.

Section 4. Lenders. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Units in the Condominium, only subsections (b), (d), (e), (f), (g) and (h) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Unit through (a) foreclosure of its first mortgage on the Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XI.

Section 5. Sponsor. The terms of Sections 2, 3 and 4 of this Article XI shall not be applicable to the Sponsor, its successors or assigns.

Section 6. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 7. Real Property Law Section 339-kk. Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Unit Owner who rents any Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

Section 8. Gifts, etc. Any Unit Owner may convey or transfer their Unit by gift during their lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

Section 9. Right of Prior Refusal on Sale or Lease of Units by Condominium.

(a) A Unit Owner has the right to sell or lease their Unit providing the Unit Owner gives notice of the bona fide terms of any proposed sale or lease to the Condominium and obtains their approval for the sale or lease. The failure of the Condominium to approve or disapprove such proposed sale or lease within thirty (30) days after notice thereof shall be deemed to constitute approval. The exercise of the right of prior approval shall belong to the Condominium and/or Condominium's successor, assigns or designees, for as long as the Condominium and/or Condominium's successor, assigns or designees continue to own a Unit in the Condominium. If the Condominium disapproves of the transaction, it shall within fifteen (15) days after making its decision known, produce a Purchaser or Lessee approved by it who will accept the transaction upon terms as favorable to the Unit Owner as the terms stated in the notice to the Condominium. If the Condominium does not produce such a Purchaser or Lessee within the aforesaid fifteen (15) days, the Unit Owner shall have the right to effectuate such sale or lease on the terms submitted, as more specifically set forth herein.

(b) In the event the Condominium shall notify the selling Unit Owner of its disapproval of the sale or lease of the Unit then, within fifteen (15) days of such notification the Purchaser or Lessee supplied by the Condominium shall execute a contract to sell or lease pertaining to such Unit at the purchase price or rent and other terms set forth in the contract to sell or lease supplied with the notice of transfer or on other terms more favorable to the Owner of the Unit. The closing of sale of the Unit or date of the commencement of the term of lease shall be the same as set forth in the contract to sell or lease included in the notice of intention to sell or lease the Unit.

(c) **Unauthorized, Transfer, Sale or Lease is Voidable.** Any sale, voluntary transfer, conveyance or lease which is not authorized by the terms of these By-Laws or for which authorization has not been obtained pursuant to the terms thereof is voidable and may be voided in an action brought by the Condominium and/or Condominium's successor, assigns or designees.

(d) **Notice.** All notices referred to in this Article XI shall be given by registered or certified mail, return receipt requested. Delivery shall be deemed made and notice shall be deemed given by such mailing and shall not be dependent upon acceptance by the addressee. A Unit Owner intending to make a transfer, sale or lease of the Unit or any part thereof, or interest therein, shall give notice to the Condominium of such intention. The Unit Owner shall furnish at that time, for the information of the Condominium and/or Condominium's successor, assigns or

designees: (i) the name and address of the intended Grantee or Lessee; (ii) a statement of all of the terms of the transaction; (iii) financial and professional references of the Transferee or Lessee; (iv) the specific occupation of the Transferee or Lessee including any areas of specialization; (v) an executed copy of the proposed contract to sell or lease; and (vi) such other information as the Condominium and/or Condominium's successor, assigns or designees may reasonably require. The Unit Owner shall use the form, if any, supplied by the Condominium in order to supply such information. Such notice, when given, shall constitute a representation, warranty and an offer to sell or lease to the Condominium and/or Condominium's successor, assigns or designees and a representation that the Unit Owner believes the offer to be bona fide in all respects.

(e) **Unit Owners' Right to Withdraw Unit from Proposed Sale or Lease.** Where the Condominium has failed to act on a transaction, the Unit Owner may withdraw the Unit Owner's offer to sell or lease. When the Condominium has produced a Purchaser or a Lessee who fulfills the requirements set forth above and the Purchaser or Lessee so agrees, a binding contract shall be deemed to have come into existence and the Unit Owner shall be bound to consummate the transaction with such Purchaser or Lessee furnished by the Condominium, in accordance with the terms thereof.

(f) **Form of Consents for Condominium.** The action by the Condominium consenting to a sale or lease shall be in recordable form. The failure of the Condominium to act on a notice given to it within thirty (30) days shall be deemed to constitute approval of the sale or lease. The Unit Owner, the Purchaser or Lessee may demand and shall be entitled to receive from the Condominium, consent to the sale or lease in recordable form.

(g) **Approval of Occupant of Unit.** If the proposed Purchaser or Lessee of a Unit, or any interest therein, is other than a natural person, the approval of the sale may be conditioned upon the approval of the entity or entities which will occupy the Unit.

(h) **Transaction to Which the Right of Prior Refusal does not Apply.** The right of prior refusal granted herein shall not be applicable to the following:

i. The sale, lease or sublease of Units by or to the Condominium, or Condominium's designees.

ii. Foreclosure or other judicial sale of Condominium Units or a conveyance by the Owner of a Unit to a Mortgagee in lieu of foreclosure; and any subsequent sale, lease or sublease by a Mortgagee (provided that unrelated persons acquiring the Unit from such Mortgagee shall be subject to such right of prior refusal herein);

iii. The acquisition or succession to the going business, practice or profession

of the Unit Owner, the acquisition of all of the assets of the Unit Owner, or the merger or consolidation into or with the Unit Owner, by any person, partnership or corporation;

iv. The sale, lease or sublease from a Unit Owner to a partnership or a corporation in which the Unit Owner is a partner or principal stockholder; from a partnership or corporate Owner to the partners or stockholders thereof; from partners who are Owners to new partners; from one co-Owner to another;

v. A conveyance or transfer from a Unit Owner by gift, devise by will or intestate succession.

ARTICLE XII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $40,000 and to the Board of Managers if the award is $40,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) so much of the award as is applicable to unrestricted General Common Elements, to the Unit Owners pro rata according to the respective Common Interest appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to the General Residential Units' Limited Common Elements to the Residential Unit Owners pro rata according to the proportion of square footage allocated to each individual Residential Unit divided by the total square footage of all Residential Units.

(c) so much of the award as is applicable to Irrevocably Restricted Common Elements to the Residential Unit Owner having general use of such Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted General Common Elements, the General Residential United Limited Common Elements and to each Irrevocably Restricted Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIII. RIGHTS OF HOLDER OF UNSOLD UNITS

Section 1. Sales. The Holder of Unsold Units, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within the Building or elsewhere

throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the Common Elements, and without limitation, to do any and all things necessary to incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

Section 2. Signs. The Holder of Unsold Units shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Holder of Unsold Units, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. This Article XIII may not be modified or amended without the written consent of the Holder of Unsold Units so long as the Holder of Unsold Units continues to own one (1) or more unsold Units.

ARTICLE XIV. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in their Unit which will increase the insurance rates on their Unit or any other Unit or on the Common Elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages a Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers of the Condominium and the President of the Board of Directors of the Unit Owners Association in the event there is no management agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Units".

Section 4. Notice of Unpaid Assessments. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Unit Owners of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 7. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

Schedule I

Certifications

SCHEDULE I-1

AURIC
REAL ESTATE MANAGEMENT, LLC

August 25, 2021

82-04 Lefferts Tenants Corp.
Board of Directors
97-07 63rd Road
Rego Park, NY 11374

Re: The Beverly Condominium
Adequacy of Budget

Dear Board Members:

We have examined the attached budget containing the projected receipts and expenses of the premises 82-04 Lefferts Blvd, Kew Gardens, NY 11415 ("Property"), for inclusion in the Plan of Conversion from Cooperative to Condominium for the initial year of operation as a condominium building.

Under existing circumstances, we believe the estimates are reasonable and adequate and the estimated receipts illustrated therein will be sufficient to meet the normal anticipated operating expenses for the premises' first year of operation as a condominium building. We also believe that the common charges payable by the residential unit owners as incorporated in the attached budget and outlined in the Schedule B attached are adequate. However, because of the possibility of unforeseeable changes in the economy, or increase or decrease in expenses of operation, these estimates are not intended to be taken as representations, guarantees or warranties of any kind whatsoever, or as any assurance that the actual expenses or income of the corporation for any period of operation may not vary from the amounts shown or that the condominium may not incur additional expenses, or that the reserves for replacement may not be sufficient, or that the annual maintenance charges for any period may not vary from the amounts shown therein. Established on current trends, it may be expected that such items fuel costs, maintenance, labor and other related expenses will change in the future.

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule(s) B, B-1 and C, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes:

I have been in the real estate management industry since 1992 and am a licensed Real Estate Broker. Auric Real Estate Management LLC has been in business since 2008 and currently has approximately 1,600 residential units and 50 commercial units under management. Auric has a mixture of cooperatives, condominiums and rental buildings. The commercial units are a mix of store fronts and professional spaces. We have managed the bulk of our clients for nine or more years.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B, B-1 and C.

We have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on my/our experience in managing residential buildings.

AURIC
REAL ESTATE MANAGEMENT, LLC

We certify that the projections in Schedule(s) B, B-1 and C appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(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 or the co-sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Yours truly,

Auric Real Estate Management LLC,

Dominic V. Martorana,
President

97-07 63rd Road, Mgmt Office, Rego Park, NY 11374 | Tel: (718) 701-4600 | Fax: (718) 360-5879

SCHEDULE I -2

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 18.4 (b)

Date: Dec. 10 , 2021

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

RE: **The Beverly Condominium**
82-04 Lefferts Boulevard
Kew Gardens, New York 11415

Gentlepeople:

We are the sponsor and co-sponsors 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 18 and such other laws and regulations as they may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan, does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

SPONSOR
82-04 LEFERTS TENANTS CORP.

By: _____
Chandra Kant Jain, President

CO-SPONSORS
8336 REALTY, LLC

By: _____
Chandra Kant Jain, Member

MDCM LLC

By: _____
Chandra Kant Jain, Member

SPONSOR'S PRINCIPALS:

_____
Maurice Peress

_____
Catherine A. Hoffman

_____
Nancy Henigson

_____
Chandra Kant Jain

_____
Sharon Jain

Sworn to before me this
10 day of December 2021

_____
Notary Public

DOMINIC V. MARTORANA
Notary Public, State of New York
No. 01MA6254946
Qualified in Richmond County
Commission Expires January 30, 2024

AURIC
REAL ESTATE MANAGEMENT, LLC

May 26, 2020

State of New York
Department of Law
120 Broadway - 23rd Floor
New York, New York 10271

Re: The Beverly Condominium ("Property")

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the Offering Plan.

Our experience includes management of the Property for the past nine (9) years as a cooperative building and therefore we have a significant understanding of the operating costs for the Property. I have been in the real estate management industry since 1992 and I am a licensed Real Estate Broker. Auric Real Estate Management LLC has been in business since 2008 and currently has approximately 1,600 residential units and 50 commercial units under management. Auric has a mixture of cooperatives, condominiums and rental buildings. The commercial units are a mix of store fronts and professional spaces. We have managed the bulk of our clients for nine or more years.

In reviewing said Schedule A, the percentage of Common Interest for each Unit as contained therein has been 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. The original share allocation of each unit as a cooperative appears to incorporate all these factors and was used as a basis for determining the percentages for each respective unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the Offering Plan for The Beverly Condominium to be filed with the Department of Law.

Yours truly,

Auric Real Estate Management LLC,

Dominic V. Martorana,
President

97-07 63rd Road, Mgmt Office, Rego Park, NY 11374 | Tel: (718) 701-4600 | Fax: (718) 360-5879

AURIC
REAL ESTATE MANAGEMENT, LLC

May 26, 2020

82-04 Lefferts Tenants Corp.
Board of Directors
97-07 63rd Road
Rego Park, NY 11374

Re: Conversion Obligation

Dear Board Members:

We have examined the attached schedule of estimated amounts to be funded ("Schedule A") for the conversion of the cooperative commonly known as 82-04 Lefferts Tenants Corp. located at 82-04 Lefferts Blvd, Kew Gardens, NY 11415 ("Property") to a condominium and its eventual dissolution ("Plan of Conversion"). The funding requirements for Plan of Conversion are (1) the payoff of the underlying mortgage, (2) the conversion expenses fees due to the professional teams and (3) closing costs (collectively the "Conversion Obligations").

According to the records we reviewed, the current underlying mortgage is held by National Cooperative Bank (NCB). The conversion fees are covered by an agreement with The Hutton Group, Inc. and includes all legal fees that will be necessary to complete the Plan of Conversion. The closing costs relate to individual selections for existing shareholders such as optional title insurance, borrowing against the unit deed that will be distributed to them or transferring ownership before or after conversion.

Under existing circumstances, we believe the estimates reflected in Schedule A are reasonable and adequate to fund the Conversion Obligation. However, the amounts may differ due to unexpected costs or expenses occurring before the Plan of Conversion is fully implemented. The likelihood of such changes is low since the mortgage principal payoff is already scheduled and the total amount projected to satisfy the NCB mortgage includes a more than adequate amount for any prepayment penalty that may apply. Moreover, the agreement for the conversion fees is a fixed amount for all units and includes all professional fees including architects, engineers and legal fees. Closing costs may differ from the amounts estimated since they are completely optional for shareholders and therefore the total sum of closing costs will be completely dependent on the choices that each shareholder makes at closing.

We have managed the Property for the past nine (9) years as a cooperative building and therefore have a significant understanding of the NCB mortgage requirements and the contractual relationship with vendors and professionals supplying products and services to the cooperative. I have been in the real estate management industry since 1992 and am a licensed Real Estate Broker. Auric Real Estate Management LLC has been in business since 2008 and currently has approximately 1,600 residential units and 50 commercial units under management. Auric has a mixture of cooperatives, condominiums and rental buildings. The commercial units are a mix of store fronts and professional spaces. We have managed the bulk of our clients for nine or more years.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We

AURIC
REAL ESTATE MANAGEMENT, LLC

have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders except currently serving as the managing agent for the cooperative building.

Yours truly,

Auric Real Estate Management LLC,

Dominic V. Martorana,
President

Highpoint Incentive Inc
715 Virginia Street
Far Rockaway, NY 11691

Telephone (718) 327-5779
Yehuda_moseson@hotmail.com

82-04 Lefferts Tenants Corp. Board of Directors
97-07 63rd Road
Rego Park, NY 11374

July 26, 2021

Re: The Beverly Condominium - Conversion Obligations
82-04 Lefferts Boulevard
Kew Gardens, New York, 11415

Dear Board Members:

Highpoint Incentive Inc., 715 Virginia Street, Far Rockaway, NY 11691, Tel: 718-327-5779 Email: yehuda_moseson@hotmail.com

We have examined the audited financial statements and the annual budget for the cooperative corporation known as 82-04 Lefferts Tenants Corp. ("Corporation"). We have also reviewed the publications and online information available from the Department of Finance, the agency that is directly responsible for determining tax assessments for all property classes including Class 2 which is defined as apartment rental building, cooperatives and condominiums (see exhibit A Attached). We have conducted this examination as part of our services as consultants for the conversion of the Property from a cooperative to a condominium ("Plan of Conversion").

The property has operated the property commonly known as 82-04 Lefferts Boulevard, Kew Gardens, New York ("Property") Borough: Queens Block: 3330 Lot: 33 as a cooperative since 1984 when it was converted from an apartment building. In the state of New York, apartment building, cooperative and condominiums are all assessed as income producing properties. Accordingly, if the Plan of Conversion were approved and implemented for the corporation from cooperative to condominium, the Department of Finance would not alter the aggregate tax assessment for the Property since both forms of ownership are assessed exactly the same. The only issue would then be the proportion of the assessment attributable to each unit as a condominium as compared to the effective assessment when it was a cooperative. The Department of Finance provides the following clear explanation of the way it determines the tax assessment for both forms of ownership in its publications which is attached hereto and highlighted in the relevant parts:

CO-OPS: *Your building receives a Market Value for the entire building. You can view the Market Value for your building at nyc.gov/finance.*

CONDOS: *We first determine Market Value for your entire building. Based on the unit allocation factor that your condo board has given us for your unit, we determine the Market Value for your unit. If you live in a newer building, the unit allocation factor is usually what was in the sales offering plan for your unit.*

The Department of Finance states clearly in its publication: "Class 2 properties include rental buildings, condominiums and cooperatives. All are valued as if they are income producing properties."

Therefore, under these circumstances, we expect that the Department of Finance will use the same Market Value and therefore the same tax assessment (45% of Market Value) for the building that it currently has established for it as a cooperative and apportion it to each condominium based on the percentage of common interest that is reflected Schedule A of the Offering Plan it has submitted for approval. This is exactly the process that the Department of Finance has deployed in all the other cooperative to condominium conversions that our firm has managed and consulted for in the past 15 years.

The department of Finance has determined the 2021/2022 Market Value of the Property as $4,144,000, the Assessed Value as $1,864,800 and the Taxable Value as $224,059.45 (see Exhibit B attached). Based on these valuations, which are the same for the property whether it is taxed as a cooperative or a condominium, and the 2020-2021 tax rate of 12.267% applicable to all Class 2 properties (rental properties, cooperative and condominiums), we have prepared the attached Exhibit C which lists each residential, parking and commercial condominium unit and the projected annual and monthly property taxes for 2021/2022 tax year.

We believe the estimates in Exhibit C are accurate and fairly project property taxes for the first year for the respective condominium units. However, because of the possibility of unforeseeable changes in the economy, or increase or decrease in Market valuaions and the tax rates as determined by the Department of Finance, these estimates are not actual taxes in this or any other period.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from your cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Sincerely,

Highpoint Incentive Inc.

Yehuda Moseson - President

SCHEDULE I -6

AURIC
REAL ESTATE MANAGEMENT, LLC

August 25, 2021

82-04 Lefferts Tenants Corp.
Board of Directors
97-07 63rd Road
Rego Park, NY 11374

Re: The Beverly Condominium
Adequacy of Common Charges for Commercial Units

Dear Board Members:

We have examined the attached budget containing the projected receipts and expenses of the premises 82-04 Lefferts Blvd, Kew Gardens, NY 11415 ("Property"), for inclusion in the Plan of Conversion from Cooperative to Condominium for the initial year of operation as a condominium building that will include commercial units.

Under existing circumstances, we believe the estimates are reasonable and adequate and the estimated receipts illustrated therein will be sufficient to meet the normal anticipated operating expenses for the premises' first year of operation as a condominium building. We also believe that the common charges payable by the commercial unit owners as incorporated in the attached budget and outlined in the Schedule B attached are adequate. However, because of the possibility of unforeseeable changes in the economy, or increase or decrease in expenses of operation, these estimates are not intended to be taken as representations, guarantees or warranties of any kind whatsoever, or as any assurance that the actual expenses or income of the corporation for any period of operation may not vary from the amounts shown or that the condominium may not incur additional expenses, or that the reserves for replacement may not be sufficient, or that the annual maintenance charges for any period may not vary from the amounts shown therein. Established on current trends, it may be expected that such items fuel costs, maintenance, labor and other related expenses will change in the future.

We have managed the Property for the past eleven (11) years as a cooperative building and otherwise, the employees and principals of our firm, Auric Real Estate Management LLC are not affiliated with either the Sponsor or the Co-Sponsors, the Board, Cooperative or Corporation. Therefore, have a significant understanding of the operating costs for the Property, including the expenses related to the commercial space in the building. We have experience in managing this and comparable properties residential and commercial properties in Queens, New York and the surrounding areas.

More specifically, the sponsor and co-sponsors of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the commercial unit(s). Our experience in this field has been specified above.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit(s) listed in Schedule B. We have reviewed the Schedule as it impacts upon the commercial unit(s) and investigated 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 buildings with commercial tenants.

AURIC
REAL ESTATE MANAGEMENT, LLC

We certify that the projections in Schedule B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) 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(s):

(i) set forth in detail the projected common charges for the commercial unit(s) 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 units(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) 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.

Yours truly,

Auric Real Estate Management LLC,

Dominic V. Martorana,
President

97-07 63rd Road, Mgmt Office, Rego Park, NY 11374 | Tel: (718) 701-4600 | Fax: (718) 360-5879



WHITESTONE REAL ESTATE PARTNERS
85 Broad Street, Fl. 28, New York, NY 10005

82-04 Lefferts Tenants Corp.
Board of Directors
97-07 63rd Road
Rego Park, NY 11374

February 4, 2019

Re: Adequacy of Value

Dear Board Members:

We have examined the Real Estate Purchase and Sale Agreement dated November 7, 2017 between 82-04 LEFFERTS TENANTS CORP. ("Seller") and 8336 REALTY, LLC ("Purchaser") relating to the sale of a portion of the property known as 82-04 Lefferts Boulevard, Kew Gardens, New York ("Property"), and more particularly the four (4) retail spaces on the ground floor of the Property totaling approximately 5,199 square feet and the residential Unit No. 4A and the improvements thereon ("Subject Property") for the sum of $1,550,000 as condominium units ("Purchase Price").

We have also examined information available from public records as to the sale of comparable retail commercial properties within one (1) mile from January 1, 2018 to January 31, 2019. We have attached schedules and maps of our findings hereto and have incorporated such information to our estimated value and opinion of the adequacy of the value and consideration that would be received by the Seller in the transaction.

The following table provides a summary of the retail commercial space that is part of the Subject Property with percentage of common interest attributed to them and the resulting projected common expenses and real estate taxes.

Unit	Square Feet	Number of Bedrooms and Bathrooms	% of Common Interest	Projected Monthly Real Estate Taxes	Projected Common Charges	Projected Carrying Charges	Projected Annual Real Estate Taxes
Comm A	1,217	Retail	3.6280%	593	779	1,371	7,111
Comm B	1,240	Retail	3.6890%	603	792	1,394	7,230
Comm C	1,642	Retail	4.8990%	800	1,051	1,852	9,602
Comm D	1,100	Retail	3.2840%	537	705	1,241	6,441
Total	**5,199**		**15.5000%**	**2,532**	**3,326**	**5,858**	**30,384**

We make the following observations. First, since the building is a total of 41,155 square feet and the defined commercial space totals 5,199 representing approximately 12.6% of the building size, the total common interest of all four (4) spaces of 15.5% seems reasonable to us given that they enjoy direct access from the street and

WHITESTONE REAL ESTATE PARTNERS
85 Broad Street, Fl. 28, New York, NY 10005

have certain rights not afforded the remaining residential units such as conducting commercial activity. Second, the value of Unit 4A is assumed to be approximately $200,000 based on comparable sales of residential units in the immediate vicinity of the Property and therefore the commercial units are effectively being sold for $1,350,000 which equates to $259.66 per square feet. Third, the commercial retail spaces are already under lease with set term that the Purchaser will have to honor and may contain conditions and rates that reflect below-market terms, which could reduce the market value of the Subject Property. Finally, the comparable sales information suggests that the market value of comparable properties based on actual sales in the past year is in the range of $112.00 to $406.00 per square feet with an average rate of $257.00.

It is our opinion that based on comparable sales of retail commercial properties as summarized above and in the attached documents, the Purchase Price being paid by the Purchaser and received by the Seller is fair, reasonable and adequate for the Subject Property. Of course, this is only our professional opinion and is not intended to be taken as representations, guarantees or warranties of any kind whatsoever, or as the actual value.

I am a New York State licensed real estate salesman/broker since 2005. I have been involved in the sale or funding of over $1 billion in transactions during that time period.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Sincerely,

WHITESTONE REAL ESTATE PARTNERS, INC.

Drew De Risi
Licensed Real Estate Broker

WHITESTONE REAL ESTATE PARTNERS
85 Broad Street, Fl. 28, New York, NY 10005

Map of Comparable Retail Properties



Cesarano & Khan, PC
Certified Public Accountants

June 15, 2020

82-04 Lefferts Tenants Corp.
Board of Directors
82-04 Lefferts Boulevard
Kew Gardens, NY 11415

Re: Potential Corporate and Personal Tax Relating to Distribution and Dissolution of Cooperative

Dear Board Members:

We, Cesarano & Khan, CPAs, PC ("C&K") have been asked to comment on the potential federal tax treatment of the proposed conversion of the cooperative corporation known as 82-04 Lefferts Tenants Corp. ("Co-op") from a cooperative to a condominium form of ownership. We understand that the conversion is planned as a dissolution of the Co-op Corporation with the distribution of the real property of the corporation to be distributed to its shareholders.

Income Tax Liability for the Co-op Corporation. Internal Revenue Code (IRC) §216(e), deals with "Distributions by cooperative housing corporations" and provides:

"Except as provided in regulations no gain or loss shall be recognized on the distribution by a cooperative housing corporation of a dwelling unit to a stockholder in such corporation if such distribution is in exchange for the stockholder's stock in such corporation and such dwelling unit is used as his principal residence (within the meaning of section 121)."

It appears that no gain is recognized by the Co-op on distributions of a "dwelling unit" to a shareholder if the distribution is in exchange for the shareholder's stock in the co-op and the distributed "dwelling unit" is used as the (former) shareholder's principle residence.

Income Tax Liability for Co-op Shareholders. The exchange of co-op shares for a condominium apartment may be a taxable event. However, under Internal Revenue Code (IRC) §121, $250,000 (or $500,000 for married taxpayers filing jointly) can be excluded from any resulting gain by qualifying shareholders. If a shareholder has been holding the co-op shares for investment or use in a trade or business, the exchange may be treated as a tax-deferred exchange under IRC §1031 (provided that the IRS continues to treat co-op shares as interests in real property).

In determining tax liability, if any, for either the Co-op Corporation or the shareholders, any gain will depend on the value of the asset that is distributed to the shareholder and the tax basis of that asset for the Co-op. Moreover, any net operating loss carryforward may offset such tax liability, subject to the 80% net operating loss provision and other provisions included in the "Tax Cuts and Jobs Act" and as further modified by the "CARES Act" and potentially the "Heroes Act". Since the tax basis, valuation of the asset distributed and the tax status for each unit and each shareholder varies greatly, any attempt to estimate the probability or the amount of any tax liability for any shareholder would be untenable if not futile. Therefore, all shareholders should be encouraged to consult with their own tax advisor or professional as to the potential tax impact of the proposed conversion of their ownership in the Co-op to a condominium.

C&K has been active in providing accounting services to cooperatives and condominiums in New York State for the past 25 years.

You have advised us of your intention to incorporate this letter in the proposed Conversion Plan from cooperative to condominium form of ownership and we hereby consent to such incorporation. We have no relationship or affiliation with the holder of unsold shares or units and the remaining shareholders.

Thank you.

Sincerely,

Cesarano & Khan, CPAs, PC

Cesarano & Khan, CPAs, PC

SCHEDULE J

SECTION 339-KK OF THE REAL PROPERTY LAW

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

"§ 339-kk. Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

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

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

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

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

STRATEGIC INSPECTIONS, LLC

RESERVE FUND STUDY



82-04 Lefferts Condominium
82-04 Lefferts Boulevard
Kew Gardens, New York 11415

Prepared by:
Strategic Inspections
45 West 34th Street, Suite 1001
New York, New York 10001

January 26, 2018



STRATEGIC INSPECTIONS, LLC

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STRATEGIC INSPECTIONS, LLC

1.0 EXECUTIVE SUMMARY

Strategic Inspections, LLC (SI) performed a full reserve study with site inspection for the 82-04 Lefferts Condominium (hereinafter "property") located at 82-04 Lefferts Boulevard, Kew Gardens, New York 11415. The property has 40 units and multiple model types. The reserve study is for the fiscal year starting January 1, 2018 and ending December 31, 2018.

The property consists of one six-story structure plus a cellar level and a mechanical bulkhead. The building was reportedly constructed in the 1950s and is currently operating as a Co-Op. It was reported that the property is in the process of being converted into a residential condominium. The property consists of forty (40) residential units, plus three commercial/retail units located on the ground floor. The entrance to the residential units is off of Beverly Road and has the municipal address of 83-36 Beverly Road on the main entrance. The scope of this report is limited to assessing the common residential elements for the future condominium association.

Building amenities currently or will include an intercom system, security camera system, mailboxes, laundry room, one elevator, and a parking garage.

There are currently no ASTM, Fannie Mae, or FHA reserve study standards. The closest standards to review are: ASTM E 2018-08 property condition assessment (PCA), and property condition report (PCR) standards, or Fannie Mae Physical Needs Assessment Guidance to the Property Evaluator. Additionally, currently there are two national organizations with a set of reserve study guidelines, the Association of Professional Reserve Analysts (APRA) and the Community Association Institute (CAI). All of these sources, along with the experience and knowledge of industry experts and professional engineers, were used to create SI's guidelines for reserve studies.

Strategic Inspections guidelines require that a Reserve Study include a component inventory, a condition assessment, life valuation estimates, fund status, and a funding plan. The guideline also requires that a reserve study include recommended reserve contributions for a minimum of thirty years, projected expenses for a minimum of thirty years, and projected ending reserve fund expenses for a minimum of thirty years.

This report will project the capital repair and replacement reserve for thirty years, as required by SI guidelines. As such, some items with an estimated useful life greater than thirty years are not included in this report at this time. Updating of the reserve study should be performed every two years to ensure proper funding is provided as the longer life items move within the 30-year evaluation period as the property ages.

The annual contribution for the initial year of this reserve study is $28,674, or $2,389 on a monthly basis, with an annual increase of 7.0% per year over the 30-year term. This equates to an average of $716 per unit.



As of January 1, 2018, the reported reserve fund balance is $100,000, and the current one-time replacement cost of the reserve items is $977,350. With an annual compounded inflation rate of 2.33% the future one-time replacement cost is $1,399,134.

The operating budget should be adjusted to include a line item to cover the 1st year's recommended reserve amount of $28,674, or $59 per unit, per month.

A Community Association typically has two major budgetary requirements: the general operating reserve and the capital repair and replacement reserve. The scope of this report is limited to the capital repair and replacement reserve criteria. It is assumed that the general operating reserve is accounted for in the general maintenance budget. This report will project the capital repair and replacement reserve for thirty years. It should be noted that the projection for the first ten years is the most reliable and it is recommended that this study be updated every two years.

The calculations, projections and reports in this reserve study were generated using the Property Reserve Analysis System (hereinafter "PRA"). PRA has received a Quality Assurance Evaluation from a Certified Public Accounting firm verifying the system for accuracy and compliance with the AICPA's Audit and Accounting Guide for Common Interest Realty Associations, cash flow projections, and tax calculations consistent with IRS guidelines for 1120c and 1120h corporations. PRA provides for complete, flexible reserve study assumptions while allowing for either current cost or future cost projections in calculating interest and projecting cash flows on a monthly and annual basis.

This report is intended to be used as a tool to determine reserve fund allocation requirements for the community, to manage future Association obligations, and to inform the community of future financial needs. The reserve plan, based on all the assumptions, assures that funds for major repairs and replacements will be available when needed. It also provides an equitable method for charging current owners, rather than future owners, the cost of current use.

2.0 PURPOSE AND SCOPE

The purpose of this reserve study is to produce a reserve funding plan that will project future contributions and expenditures to assure that reserve funds are available as needed. A reserve study helps Community Associations anticipate large expenditures over an extended period of time. By using this structured process and analysis, the Association is able to meet financial requirements without increasing service fees above permitted maximums, borrowing funds, and/or levying special financial assessments to the property owners.

The scope of this report is limited to the following:

- Developing component inventories based upon the site inspection and a review of the construction drawings
- Developing life and valuation estimates



- Providing a current funding status evaluation
- Providing a model for a funding plan

This report forecasts Community obligations for thirty (30) years into the future. Due to this forecast, it should be noted that events might occur that affect the cost and useful life assumptions used in this study. Specifically, inevitable market fluctuations and unexpected wear on materials can occur. Therefore, this study should be updated every two years in order to accurately reflect the needs and obligations of the community.

No items that have an estimated useful life of less than two years or a total cost less than $1,000.00 have been reserved.

3.0 DEFINITIONS AND METHODS

Relevant definitions include:

Reserve Study - The art and science of anticipating and preparing for major common area repair and replacement expenses. It is a budgetary planning tool that identifies the current status of the reserve fund and recommends a stable, equitable funding plan to offset the major anticipated common area expenditures.

Repair/Replacement Reserves - Non-annual maintenance items that will require significant expenditure over the life of the building. Included are items that will reach the end of their estimated useful life during the course of this forecast, or, in the opinion of the investigator, will require attention during that time.

Remaining Life - The expected useful life of a system or component as per Fannie Mae guidance or industry experience.

Funding Plan - An association's plan to provide income to a reserve fund to offset anticipated expenditures from that fund.

Life and Valuation Estimates - The task of estimating Useful Life, Remaining Useful Life, and Repair or Replacement Costs for the Reserve components.

The cash flow method was utilized in preparing the reserve plan with the intention that reserve funds would be available as needed. The following describes how the cash flow was produced:

- Reserve Fund Balance – projected from the date of the reserve study to the beginning of the fiscal year above;
- Reserve Item Data - for each reserve item the following was determined: description, category, basis cost, cost, quantity, estimated useful life and estimated remaining life;



- Expenditures - the reserve item data above was used to project when the initial and recurring expenditures will be incurred over the next 30 years (the projection excludes taxes on interest earned);
- Interest – calculated on the available funds;
- Contribution – determined based on the following: annual contribution increases, interest earned with related taxes and inflation on reserve items.

4.0 PROVIDED INFORMATION AND DOCUMENTS

This study has been performed according to the scope as generally defined and agreed upon by Strategic Inspections, LLC and the 82-04 Lefferts Co-Op Condominium Development, which includes an on-site assessment.

No documents were made available for review during the course of our study.

5.0 BUILDING EVALUATION

A site inspection of the subject property was performed on December 19, 2017 by Dan Dormady, P.E. The building superintendent, Illmi Taganovic, accompanied Mr. Dormady during the site inspection.

The common areas of the building were visually inspected including the exterior, the rooftop, lobby, interior hallways, laundry room, stairwells, and mechanical and electrical equipment.

Structure

The description of the structural and foundation systems is based on the site inspection only.

The building appears to have been founded on concrete block and brick masonry foundation walls. The building appears to have load bearing exterior and intermediary masonry walls with steel and concrete floors. The building's foundation and structural systems are typical for a mid-rise building in this area.

The structural and foundation systems of the building appeared to be in good to fair condition for a building of this age and type. No capital expenditures are anticipated for the structural and foundation systems during the reserve period.

Exterior and Roof

The exterior of the building is brick. The apartment windows are metal-framed double-hung windows with two panes of glass. The existing stairwell windows are metal framed with frosted wire glass. Based on condition and age, replacement of the windows is anticipated

later in the reserve period. The entrance and vestibule doors are metal-framed doors with glass panels and a glass transom over the entrance door. Based on expected useful life, replacement of the doors is anticipated during the reserve period. The original brick walls have been tuck pointed and repaired multiple times in the past and are in good to fair condition for their age with some evidence of cracked and spalled bricks and mortar. Based on the age of the building we have included an allowance for periodic repairs, caulking and sealing and tuck pointing the exterior of the building in the reserve study.

The roof of the building is covered with multi-ply built-up roof with modified bitumen cap sheet that is coated with a silver coating. The roof is of unknown age; however, it was reported that the roof membrane was silver coated approximately two to three years ago. The parapet walls are brick with concrete copings. Based on the observed conditions and the expected useful life of 20 years for this type of roofing system, replacement of the roof membrane is anticipated during the reserve period.

The roof areas on the building drain via internal roof drains to the municipal storm water drainage system. Where visible, this system appeared to be in good condition. Routine maintenance is anticipated during the reserve period.

The building has two masonry chimneys, one for the boiler and one for the compactor. The chimneys appear to be in good to fair condition. Routine maintenance is anticipated during the reserve period.

The entrance walkway to the building is concrete with brick masonry fencing. The concrete walkway and fencing were observed to be in good condition. Based on the expected useful life, repair/replacement of the concrete and repainting of the fencing is anticipated during the reserve period.

There are four (4) fire escapes on the building. The fire escapes appear to be attached to the building with steel channels cantilevered from the building. Where visible the fire escapes and attachments appear to be in good condition. Based on expected useful life, we anticipate the fire escapes will require repainting and re-securing during the reserve period.

There are exterior steel stairs in the rear of the property. The stairs are in fair condition. Repairs and painting are anticipated during the reserve period.

Mechanical, Electrical, and Plumbing

Some of the residential units are cooled by individual window and thru-wall A/C units. These units will be the responsibility of the individual unit owner; therefore, we have not included a replacement cost in the reserve study.

There are currently no common central air conditioning systems in the building.



There are multiple exhaust fans located on the roof of the building. The ages of the fans are unknown, however, they appeared to be in good to fair condition. Based on expected useful life, replacement of the fans is anticipated during the reserve period.

The units are heated by a duel fueled No. 2 fuel oil and natural gas, steam boiler which is located in the cellar. The No. 2 fuel oil is stored in a 2,200-gallon storage tank, also located in the boiler room within a vault made of concrete block walls. The units are heated through a low-pressure steam one-pipe system with a condensate recovery system consisting of a tank and two pumps. The steam distribution system consists of steel piping to radiators. The heating boiler also provides the domestic hot water to the units via an immersion coil located within the boiler.

The boiler nameplate is illegible. Based on our experience, this boiler has an estimated capacity of 5,000-MBH and is at least 30 years old. The boiler was observed to be in fair condition overall. This type of heating boiler has an expected useful life of 40 years before replacement may be needed. Based on the expected useful life and the condition of the boiler and burner, replacement of the heating boiler and condensate return system would be anticipated in about 10 to 12 years.

Domestic hot water is provided to the building by the steam boiler discussed above.

Domestic water is provided to the building from the municipal supply system via two booster pumps. The booster pumps appeared to be in good condition. Based on the expected useful life and the condition of the booster pumps replacement of the booster pumps would be anticipated in about 10 years.

The domestic water distribution system piping observed in the building appeared to be in good to fair condition. The piping observed was copper and brass. The age of the piping was not reported. An allowance for periodic future repairs and replacement of piping and valves has been included in the reserve study.

The sanitary sewer system piping observed in the building appeared to be in good to fair condition. The piping observed was cast iron. The piping appeared to be original. An allowance for periodic future repairs and replacement of piping and valves has been included in the reserve study.

A duplex sump pump is located in the boiler room. Based on the expected useful life, replacement of the sump pumps is anticipated during the reserve period.

The electrical service to the building is 120/208 volt, three-phase, four wire. Each apartment has two, 40-Amp circuit breakers, single-phase service at 120/240 volts. The apartments are individually metered. The main panel and meter panels are nearing the end of their expected useful life and were observed to be in fair condition. Based on expected useful life, upgrades to the main switches/panels is anticipated during the reserve period.

The common area lighting on the interior and exterior of the building is in good condition. Based on expected useful life, future replacement of the light fixtures is anticipated during the reserve period.

Fire sprinkler protection is provided via municipal water pressure to the parking garage, trash compactor room and the boiler room. A fire main with a backflow preventer is located in the parking garage. No fire pump or common fire alarm panels were observed.

Interior

The main entrance lobby has terrazzo floors, the walls are ceramic tile and mirrors, and ceiling is painted plaster. The elevator lobbies have vinyl tile flooring. The corridors have carpet and the walls and ceiling are painted plaster. The finishes in the lobby and corridors were observed to be in good condition. Based on the expected useful life, terrazzo and ceramic tile replacement is not anticipated during the reserve period. Based on the expected useful life, replacement of the corridor carpet and vinyl tile flooring and repainting of the walls and ceiling are anticipated during the reserve period. Therefore, an allowance to replace these finishes is included in this reserve study.

There are one (1) central stairwell in the building. The stairs have iron stringers, vinyl tile landings and rubber treads, steel risers, and wood hand railings with cast iron posts and wrought iron and cast-iron spindles. The walls in the stairways are a combination of painted plaster. The stairways are in good condition. Repainting of the stairway walls and the stairway components is anticipated during the reserve period.

Amenities

There is an intercom system installed that is in good condition. Based on the expected useful life, replacement of the intercom security system is anticipated during the reserve period.

There is also a security camera system in the building that appears to be in good condition. Based on the expected useful life, replacement of the security camera system is anticipated during the reserve period.

There is a mailbox area with wall-mounted recessed mailboxes, located in the lobby of the building. Based on the expected useful life, replacement of the mailboxes is anticipated during the reserve period.

The building has one (1) passenger elevator. The elevator cab, controller, and machinery appeared to be in fair condition. The elevator cab has vinyl tile flooring with wood paneled walls and stainless-steel ceilings. Based on the expected useful life, future replacement of the elevator controller, cables, upgrade to the elevator machinery, and upgrade to the cab interior is anticipated early during the reserve period.



There is wood post and rail fencing with landscaping at the residential entrance on Beverly Road and along the right side of the building. Based on the expected useful life, replacement of the fencing is anticipated during the reserve period.

There is a laundry room located in the basement and is equipped with 3 dryers and 3 washing machines. The finishes include painted concrete floors and painted walls and ceiling. It was reported that the equipment is leased from a third party. We have not included cost to replace the laundry equipment. However, we have included cost for repainting the floor, walls, and ceiling during the reserve period.

There is a parking garage located in the basement with a single overhead door for entrance/exit located off of Lefferts Street. The parking garage contains a total of 14 parking spaces. There is one garage exhaust fan, which was observed to be in fair condition. Based on expected useful life, replacement of the exhaust fan is anticipated during the reserve period. Based on expected useful life, replacement of the garage door and door operator are also anticipated during the reserve period.

There is a common trash chute located on each floor, which leads to a trash compactor located in the basement. The compactor appeared to be in fair condition and replacement is anticipated during the reserve period.

6.0 ASSUMPTIONS

The study is based upon the following financial assumptions:

- Annual Contribution Increase - 7.00%
- Interest Earned - 1.00%
- Inflation on Reserve Items - 2.33%

7.0 SUMMARY OF RESULTS

The annual contribution for the initial year of this reserve study is $28,674, or $2,389 on a monthly basis, with an annual increase of 7.0% per year over the 30-year term. This equates to an average of $716 per unit.

As of January 1, 2018, the reported reserve fund balance is $100,000, and the current one-time replacement cost of the reserve items is $977,350. With an annual compounded inflation rate of 2.33% the future one-time replacement cost is $1,399,134.

8.0 FUNDING PLAN

The operating budget should be adjusted to include a line item to cover the 1st year's recommended reserve amount of $28,674, or $59 per unit, per month.



9.0 LIMITATIONS

The observations described in this study are valid as to the date of the investigation and have been made under the conditions noted in the report. This study is limited to the documentation provided to us and the site visit performed. This reserve study is a budgetary tool and no implication is made as to its uses as an engineering study.

This report does not render an opinion on un-evaluated portions of the project. We did not evaluate the following areas, and this report makes no representations or conclusions regarding:

- Unit interior finishes
- Interior unit systems and equipment
- All non-common elements

We did not include reserve funding for any items with an expected life beyond 30 years such as tile and terrazzo flooring. Some of these replacement costs are high dollar items and may need to be replaced between year 30 and year 40. Updating of the reserve study should be performed every two years to ensure proper funding is provided as the longer life items move within the 30-year evaluation period as the property ages.

We did not perform any computations or other engineering analysis as part of this evaluation, nor did we conduct a comprehensive code compliance investigation. This report should not be construed as providing any engineering or code compliance information. The appendices are an integral part of this report and must be included in any review.

In our Reserve Fund Analysis, we have provided estimated costs. These costs are based on our general knowledge of building systems as well as the contracting and construction industry. When appropriate, we have relied on standard sources, such as RSMeans Building Construction Cost Data, to develop estimates. However, for some items for which we have developed costs (e.g.: structural repairs), no standard guide for estimating such costs exists. Actual cost can vary significantly, based on availability of qualified contractors to do the work as well as other variables. We assume no liability and make no warranties, expressed or implied, as to the specific cost estimates provided.

We have performed no design work as a part of this study, nor have we obtained competitive quotations or estimates from contractors, as this is beyond the scope of this project. The actual cost to replace components and maintain items that we have identified may vary significantly from estimates and competitive quotations from contractors.

Attached please find a projected reserve fund analysis for non-annual repair/replacement items. This projection takes into consideration a reasonable return on invested money and inflation. Please review this thoroughly and advise us of any changes that may be necessary.

STRATEGIC INSPECTIONS, LLC

If you have any questions about this study or the reserve fund analysis, please feel free to contact us. Thank you for the opportunity to provide this service to you.

Respectfully submitted,

Dan Dormady, P.E. (LA)
Senior Project Manager

David A. Pertuit, Jr., P.E.
Director of Technical Operations
Strategic Inspections, LLC.



Appendix A: RESERVE FUND ANALYSIS

82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Property - Definition

Property Information

Property	82-04 Lefferts	Initial Date		January 1, 2018
Address	82-04 Lefferts Boulevard	Analysis Date		January 1, 2018
City	Kew Gardens	Number of Phases		0
State	New York	Number of Units		40
Zip	11415	Number of Models		0
Phone		Current Cost	$	977,350.00

Item Parameters

Common Area	34
Unit Parameters	0
Unit Expanded	0

Financial Parameters

Rate of Inflation		2.33	%	Loan/Special Assessment: No
Rate of Investment		1.00	%	Deferred Expenditures: No
Contribution Factor		7.00	%	Tax Rate: N/A
Adjustment Factor		-62.00	%	
Contingency Factor		0.00	%	
Contingency Time		0:00	YY:MM	
Contingency Amount	$	0.00		

Property Criteria

Inflation Compounded	Monthly
Ownership Format	Wholly Owned
Minimum Life	2:00 YY:MM
Analysis Format	Analysis
Cash Flow Schedule	30 Years
Allocation Format	Proportional
Contribution Method	Future Cost
Measurement Basis	N/A

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Financial - Analysis Summary

Global Factors		
Rate of Inflation		2.33 %
Net Rate of Investment		1.00 %
Weighted Average Life		15:08 YY:MM
Contribution Factor		7.00 %
Adjustment Factor		-62.00 %
Contingency Factor		0.00 %
Contingency Time		0:00 YY:MM
Replacement Costs		
Current Cost	$	977,350.00
Future Cost	$	1,399,134.77
Fund Balances		
Current Balance	$	100,000.00
Future Balance	$	116,991.35
Funds Required		
Funds Required	$	1,282,143.42
Monthly Contribution	$	2,389.52

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Summary

	Basis Cost	Quantity	Replace Date	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Amenities								
Elevator Cabs	$ 7,500.00	1.000	01/01/2025	$ 7,500	15:00	15:00	7:00	$ 8,827
Elevator controller	10,000.00	1.000	01/01/2031	10,000	15:00	18:00	13:00	13,533
Elevator Machinery upgrades	124,000.00	1.000	01/01/2032	124,000	30:00	34:00	14:00	171,771
Front Landscaping and Fencing	2,500.00	1.000	01/01/2028	2,500	10:00	10:00	10:00	3,155
Mailboxes	75.00	40.000	01/01/2038	3,000	20:00	20:00	20:00	4,778
Overhead garage door and operator	2,000.00	1.000	01/01/2038	2,000	30:00	30:00	20:00	3,185
Security Camera System	10,000.00	1.000	01/01/2033	10,000	15:00	15:00	15:00	14,178
Trash Compactor	24,000.00	1.000	01/01/2033	24,000	20:00	25:00	15:00	34,029
Update Laundry Room Finishes	2,000.00	1.000	01/01/2030	2,000	10:00	12:00	12:00	2,644
				$ 185,000				$ 256,104
Building Exterior								
DH Alum. Window	$ 650.00	202.000		$ 131,300	25:00	32:06	22:06	$ 221,693
Exterior Caulking and Sealants	25,000.00	1.000	01/01/2028	25,000	10:00	10:00	10:00	31,552
Exterior Light	150.00	12.000	01/01/2028	1,800	10:00	10:00	10:00	2,271
Facade Repairs	100,000.00	1.000	01/01/2028	100,000	10:00	10:00	10:00	126,209
Glass Entrance Doors	6,200.00	2.000	01/01/2043	12,400	25:00	25:00	25:00	22,189
Multi-ply Modified Bit Roof Surface	19.00	5,750.000	01/01/2030	109,250	20:00	22:00	12:00	144,454
Repair/repaint exterior metal stairs	2,000.00	2.000	01/01/2033	4,000	30:00	35:00	15:00	5,671
Replace entry pavement and fencing	5,000.00	1.000	01/01/2043	5,000	30:00	30:00	25:00	8,947
Resecure and Paint Fire Escape	500.00	20.000	01/01/2028	10,000	10:00	10:00	10:00	12,620
				$ 398,750				$ 575,611
Building Interior								
Carpet	$ 8.50	2,500.000	01/01/2026	$ 21,250	8:00	8:00	8:00	$ 25,599
Intercom System	10,000.00	1.000	01/01/2033	10,000	15:00	15:00	15:00	14,178
Paint Stairs	1.26	3,000.000	01/01/2028	3,780	10:00	10:00	10:00	4,770
Paint Walls and Ceiling	1.26	5,000.000	01/01/2025	6,300	7:00	7:00	7:00	7,414
Vinyl Tile Flooring	4.00	500.000	01/01/2033	2,000	15:00	15:00	15:00	2,835

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Summary

	Basis Cost	Quantity	Replace Date	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
				$ 43,330				$ 54,799
Mechanical								
1-1/2 HP Garage Exhaust Fan	$ 3,656.00	1.000	01/01/2033	$ 3,656	15:00	15:00	15:00	$ 5,183
Allowance for DW piping replacement	1,500.00	40.000		60,000	40:00	43:06	18:06	92,325
Allowance for Sanitary Piping Replacement	5,000.00	6.000		30,000	50:00	52:06	22:06	50,653
Corridor Lighting	1,200.00	6.000	01/01/2043	7,200	25:00	25:00	25:00	12,884
Duel-fueled steam boiler 4,000 MBH	121,000.00	1.000	01/01/2031	121,000	40:00	43:00	13:00	163,759
Duplex Condensate Pump	11,600.00	1.000	01/01/2030	11,600	15:00	15:00	12:00	15,338
Duplex sump pump	5,314.00	1.000	01/01/2028	5,314	20:00	20:00	10:00	6,706
DW Booster Pumps 100 GPM	5,000.00	2.000	01/01/2028	10,000	15:00	15:00	10:00	12,620
Rooftop Exhaust fans	20,000.00	1.000	01/01/2025	20,000	15:00	15:00	7:00	23,539
Unit heater	1,500.00	1.000	01/01/2034	1,500	30:00	30:00	16:00	2,176
Upgrade electrical service	2,000.00	40.000	01/01/2038	80,000	50:00	50:00	20:00	127,430
				$ 350,270				$ 512,618
				$ 977,350				$ 1,399,134

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Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
1-1/2 HP Garage Exhaust Fan		**EA @ 3 ,656.00**								
910-000-0025				01/01/2033	1.00	$ 3,656.00	15:00	15:00	15:00	$ 5,183.76
					1.00	$ 3,656.00				$ 5,183.76
Allowance for DW piping replacement		**Unit @ 1 ,500.00**								
920-001-0027				01/01/2035	10.00	$ 15,000.00	40:00	42:00	17:00	$ 22,281.71
920-002-0027				01/01/2036	10.00	15,000.00	40:00	43:00	18:00	22,806.45
920-003-0027				01/01/2037	10.00	15,000.00	40:00	44:00	19:00	23,343.56
920-004-0027				01/01/2038	10.00	15,000.00	40:00	45:00	20:00	23,893.31
					40.00	$ 60,000.00				$ 92,325.03
Allowance for Sanitary Piping Replacement		**Floor @ 5 ,000.00**								
920-001-0028				01/01/2040	3.00	$ 15,000.00	50:00	52:00	22:00	$ 25,031.95
920-002-0028				01/01/2041	3.00	15,000.00	50:00	53:00	23:00	25,621.47
					6.00	$ 30,000.00				$ 50,653.42
Carpet		**SF @ 8.50**								
910-000-0014				01/01/2026	2500.00	$ 21,250.00	8:00	8:00	8:00	$ 25,599.59
					2500.00	$ 21,250.00				$ 25,599.59
Corridor Lighting		**Floor @ 1 ,200.00**								
910-000-0011				01/01/2043	6.00	$ 7,200.00	25:00	25:00	25:00	$ 12,884.39
					6.00	$ 7,200.00				$ 12,884.39
DH Alum. Window		**EA @ 650.00**								
920-001-0001				01/01/2040	101.00	$ 65,650.00	25:00	32:00	22:00	$ 109,556.52
920-002-0001				01/01/2041	101.00	65,650.00	25:00	33:00	23:00	112,136.63
					202.00	$ 131,300.00				$ 221,693.15
Duel-fueled steam boiler 4,000 MBH		**EA @ 121 ,000.00**								
910-000-0008				01/01/2031	1.00	$ 121,000.00	40:00	43:00	13:00	$ 163,759.17
					1.00	$ 121,000.00				$ 163,759.17

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Duplex Condensate Pump EA @ 11 ,600.00										
910-000-0036				01/01/2030	1.00	$ 11,600.00	15:00	15:00	12:00	$ 15,338.01
					1.00	$ 11,600.00				$ 15,338.01
Duplex sump pump EA @ 5 ,314.00										
910-000-0010				01/01/2028	1.00	$ 5,314.00	20:00	20:00	10:00	$ 6,706.78
					1.00	$ 5,314.00				$ 6,706.78
DW Booster Pumps 100 GPM EA @ 5 ,000.00										
910-000-0009				01/01/2028	2.00	$ 10,000.00	15:00	15:00	10:00	$ 12,620.96
					2.00	$ 10,000.00				$ 12,620.96
Elevator Cabs EA @ 7 ,500.00										
910-000-0022				01/01/2025	1.00	$ 7,500.00	15:00	15:00	7:00	$ 8,827.26
					1.00	$ 7,500.00				$ 8,827.26
Elevator controller EA @ 10 ,000.00										
910-000-0021				01/01/2031	1.00	$ 10,000.00	15:00	18:00	13:00	$ 13,533.82
					1.00	$ 10,000.00				$ 13,533.82
Elevator Machinery upgrades LS @ 124 ,000.00										
910-000-0020				01/01/2032	1.00	$ 124,000.00	30:00	34:00	14:00	$ 171,771.53
					1.00	$ 124,000.00				$ 171,771.53
Exterior Caulking and Sealants LS @ 25 ,000.00										
910-000-0035				01/01/2028	1.00	$ 25,000.00	10:00	10:00	10:00	$ 31,552.41
					1.00	$ 25,000.00				$ 31,552.41
Exterior Light EA @ 150.00										
910-000-0031				01/01/2028	12.00	$ 1,800.00	10:00	10:00	10:00	$ 2,271.77
					12.00	$ 1,800.00				$ 2,271.77

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Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Facade Repairs LS @ 100 ,000.00										
910-000-0003				01/01/2028	1.00	$ 100,000.00	10:00	10:00	10:00	$ 126,209.63
					1.00	$ 100,000.00				$ 126,209.63
Front Landscaping and Fencing LS @ 2 ,500.00										
910-000-0023				01/01/2028	1.00	$ 2,500.00	10:00	10:00	10:00	$ 3,155.24
					1.00	$ 2,500.00				$ 3,155.24
Glass Entrance Doors LS @ 6 ,200.00										
910-000-0002				01/01/2043	2.00	$ 12,400.00	25:00	25:00	25:00	$ 22,189.78
					2.00	$ 12,400.00				$ 22,189.78
Intercom System EA @ 10 ,000.00										
910-000-0017				01/01/2033	1.00	$ 10,000.00	15:00	15:00	15:00	$ 14,178.78
					1.00	$ 10,000.00				$ 14,178.78
Mailboxes EA @ 75.00										
910-000-0019				01/01/2038	40.00	$ 3,000.00	20:00	20:00	20:00	$ 4,778.66
					40.00	$ 3,000.00				$ 4,778.66
Multi-ply Modified Bit Roof Surface SF @ 19.00										
910-000-0005				01/01/2030	5750.00	$ 109,250.00	20:00	22:00	12:00	$ 144,454.96
					5750.00	$ 109,250.00				$ 144,454.96
Overhead garage door and operator EA @ 2 ,000.00										
910-000-0012				01/01/2038	1.00	$ 2,000.00	30:00	30:00	20:00	$ 3,185.77
					1.00	$ 2,000.00				$ 3,185.77
Paint Stairs SF @ 1.26										
910-000-0013				01/01/2028	3000.00	$ 3,780.00	10:00	10:00	10:00	$ 4,770.72
					3000.00	$ 3,780.00				$ 4,770.72

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Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity	Current Cost	Est Life	Adj Life	Rem Life	Future Cost
Paint Walls and Ceiling SF @ 1.26										
910-000-0016				01/01/2025	5000.00	$ 6,300.00	7:00	7:00	7:00	$ 7,414.90
					5000.00	$ 6,300.00				$ 7,414.90
Repair/repaint exterior metal stairs EA @ 2 ,000.00										
910-000-0030				01/01/2033	2.00	$ 4,000.00	30:00	35:00	15:00	$ 5,671.51
					2.00	$ 4,000.00				$ 5,671.51
Replace entry pavement and fencing LS @ 5 ,000.00										
910-000-0006				01/01/2043	1.00	$ 5,000.00	30:00	30:00	25:00	$ 8,947.49
					1.00	$ 5,000.00				$ 8,947.49
Resecure and Paint Fire Escape Floor @ 500.00										
910-000-0007				01/01/2028	20.00	$ 10,000.00	10:00	10:00	10:00	$ 12,620.96
					20.00	$ 10,000.00				$ 12,620.96
Rooftop Exhaust fans LS @ 20 ,000.00										
910-000-0032				01/01/2025	1.00	$ 20,000.00	15:00	15:00	7:00	$ 23,539.37
					1.00	$ 20,000.00				$ 23,539.37
Security Camera System LS @ 10 ,000.00										
910-000-0033				01/01/2033	1.00	$ 10,000.00	15:00	15:00	15:00	$ 14,178.78
					1.00	$ 10,000.00				$ 14,178.78
Trash Compactor EA @ 24 ,000.00										
910-000-0024				01/01/2033	1.00	$ 24,000.00	20:00	25:00	15:00	$ 34,029.06
					1.00	$ 24,000.00				$ 34,029.06
Unit heater EA @ 1 ,500.00										
910-000-0034	Garage			01/01/2034	1.00	$ 1,500.00	30:00	30:00	16:00	$ 2,176.90
					1.00	$ 1,500.00				$ 2,176.90

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameters - Detail

Code	Location	Description	Condition	Replace Date	Quantity		Current Cost	Est Life	Adj Life	Rem Life		Future Cost
Update Laundry Room Finishes		**LS @ 2 ,000.00**										
910-000-0026				01/01/2030	1.00	$	2,000.00	10:00	12:00	12:00	$	2,644.48
					1.00	$	2,000.00				$	2,644.48
Upgrade electrical service		**Unit @ 2 ,000.00**										
910-000-0029				01/01/2038	40.00	$	80,000.00	50:00	50:00	20:00	$	127,430.97
					40.00	$	80,000.00				$	127,430.97
Vinyl Tile Flooring		**SF @ 4.00**										
910-000-0015				01/01/2033	500.00	$	2,000.00	15:00	15:00	15:00	$	2,835.76
					500.00	$	2,000.00				$	2,835.76
					17140.00	$	977,350.00				$	1,399,134.77

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1-1/2 HP Garage Exhaust Fan										
Allowance for DW piping replacement										
Allowance for Sanitary Piping Replacement									25,599	
Carpet										
Corridor Lighting										
DH Alum. Window										
Duel-fueled steam boiler 4,000 MBH										
Duplex Condensate Pump										
Duplex sump pump										
DW Booster Pumps 100 GPM										
Elevator Cabs								8,827		
Elevator controller										
Elevator Machinery upgrades										
Exterior Caulking and Sealants										
Exterior Light										
Facade Repairs										
Front Landscaping and Fencing										
Glass Entrance Doors										
Intercom System										
Mailboxes										
Multi-ply Modified Bit Roof Surface										
Overhead garage door and operator										
Paint Stairs										
Paint Walls and Ceiling								7,414		
Repair/repaint exterior metal stairs										
Replace entry pavement and fencing										
Resecure and Paint Fire Escape										
Rooftop Exhaust fans								23,539		
Security Camera System										
Trash Compactor										
Unit heater										

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Update Laundry Room Finishes										
Upgrade electrical service										
Vinyl Tile Flooring										
								39,781	25,599	

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Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
1-1/2 HP Garage Exhaust Fan						5,183				
Allowance for DW piping replacement								22,281	22,806	23,343
Allowance for Sanitary Piping Replacement										
Carpet							30,839			
Corridor Lighting										
DH Alum. Window										
Duel-fueled steam boiler 4,000 MBH				163,759						
Duplex Condensate Pump			15,338							
Duplex sump pump	6,706									
DW Booster Pumps 100 GPM	12,620									
Elevator Cabs										
Elevator controller				13,533						
Elevator Machinery upgrades					171,771					
Exterior Caulking and Sealants	31,552									
Exterior Light	2,271									
Facade Repairs	126,209									
Front Landscaping and Fencing	3,155									
Glass Entrance Doors										
Intercom System						14,178				
Mailboxes										
Multi-ply Modified Bit Roof Surface			144,454							
Overhead garage door and operator										
Paint Stairs	4,770									
Paint Walls and Ceiling					8,727					
Repair/repaint exterior metal stairs						5,671				
Replace entry pavement and fencing										
Resecure and Paint Fire Escape	12,620									
Rooftop Exhaust fans										
Security Camera System						14,178				
Trash Compactor						34,029				
Unit heater							2,176			

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Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Update Laundry Room Finishes			2,644							
Upgrade electrical service										
Vinyl Tile Flooring						2,835				
	199,908		162,437	177,292	180,498	76,077	33,016	22,281	22,806	23,343

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
1-1/2 HP Garage Exhaust Fan										
Allowance for DW piping replacement	23,893									
Allowance for Sanitary Piping Replacement			25,031	25,621						
Carpet					37,151					
Corridor Lighting						12,884				
DH Alum. Window			109,556	112,136						
Duel-fueled steam boiler 4,000 MBH										
Duplex Condensate Pump								21,747		
Duplex sump pump										
DW Booster Pumps 100 GPM						17,894				
Elevator Cabs			12,515							
Elevator controller									19,189	
Elevator Machinery upgrades										
Exterior Caulking and Sealants	39,822									
Exterior Light	2,867									
Facade Repairs	159,288									
Front Landscaping and Fencing	3,982									
Glass Entrance Doors						22,189				
Intercom System										
Mailboxes	4,778									
Multi-ply Modified Bit Roof Surface										
Overhead garage door and operator	3,185									
Paint Stairs	6,021									
Paint Walls and Ceiling		10,271							12,089	
Repair/repaint exterior metal stairs										
Replace entry pavement and fencing						8,947				
Resecure and Paint Fire Escape	15,928									
Rooftop Exhaust fans			33,375							
Security Camera System										
Trash Compactor										
Unit heater										

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Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Expenditures - Items

Description	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047
Update Laundry Room Finishes			3,337							
Upgrade electrical service	127,430									
Vinyl Tile Flooring										
	387,199	10,271	183,817	137,758	37,151	61,916		21,747	31,278	

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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Cash Flow - Annual

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/18 - 12/18	$ 100,000.00	$ 28,674.24	$ 1,148.38	$ 0.00	$ 129,822.62
01/19 - 12/19	129,822.62	30,681.48	1,458.05	0.00	161,962.15
01/20 - 12/20	161,962.15	32,829.24	1,791.68	0.00	196,583.07
01/21 - 12/21	196,583.07	35,127.24	2,151.02	0.00	233,861.33
01/22 - 12/22	233,861.33	37,586.16	2,537.85	0.00	273,985.34
01/23 - 12/23	273,985.34	40,217.16	2,954.12	0.00	317,156.62
01/24 - 12/24	317,156.62	43,032.36	3,401.95	0.00	363,590.93
01/25 - 12/25	363,590.93	46,044.60	3,500.60	39,781.53	373,354.60
01/26 - 12/26	373,354.60	49,267.68	3,751.37	25,599.59	400,774.06
01/27 - 12/27	400,774.06	52,716.36	4,290.51	0.00	457,780.93
	$ 100,000.00	$ 396,176.52	$ 26,985.53	$ 65,381.12	$ 457,780.93

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/28 - 12/28	457,780.93	56,406.48	2,957.51	199,908.47	317,236.45
01/29 - 12/29	317,236.45	60,354.96	3,489.59	0.00	381,081.00
01/30 - 12/30	381,081.00	64,579.80	2,588.64	162,437.45	285,811.99
01/31 - 12/31	285,811.99	69,100.44	1,511.23	177,292.99	179,130.67
01/32 - 12/32	179,130.67	73,937.52	432.95	180,498.63	73,002.51
01/33 - 12/33	73,002.51	79,113.12	397.81	76,077.65	76,435.79
01/34 - 12/34	76,435.79	84,651.00	874.57	33,016.37	128,944.99
01/35 - 12/35	128,944.99	90,576.60	1,535.14	22,281.71	198,775.02
01/36 - 12/36	198,775.02	96,916.92	2,263.38	22,806.45	275,148.87
01/37 - 12/37	275,148.87	103,701.12	3,059.45	23,343.56	358,565.88
	$ 457,780.93	$ 779,337.96	$ 19,110.27	$ 897,663.28	$ 358,565.88

Period	Beginning Balance	Contribution	Interest Earned	Expenditures	Ending Balance
01/38 - 12/38	358,565.88	110,960.16	448.39	387,199.00	82,775.43
01/39 - 12/39	82,775.43	118,727.40	1,328.05	10,271.52	192,559.36
01/40 - 12/40	192,559.36	127,038.36	802.17	183,817.98	136,581.91
01/41 - 12/41	136,581.91	135,931.08	727.76	137,758.10	135,482.65
01/42 - 12/42	135,482.65	145,446.24	1,732.82	37,151.89	245,509.82
01/43 - 12/43	245,509.82	155,627.52	2,650.84	61,916.64	341,871.54
01/44 - 12/44	341,871.54	166,521.48	4,269.48	0.00	512,662.50
01/45 - 12/45	512,662.50	178,178.04	5,834.35	21,747.42	674,927.47
01/46 - 12/46	674,927.47	190,650.48	7,435.29	31,278.55	841,734.69
01/47 - 12/47	841,734.69	203,996.04	9,479.01	0.00	1,055,209.74
	$ 358,565.88	$ 1,533,076.80	$ 34,708.16	$ 871,141.10	$ 1,055,209.74

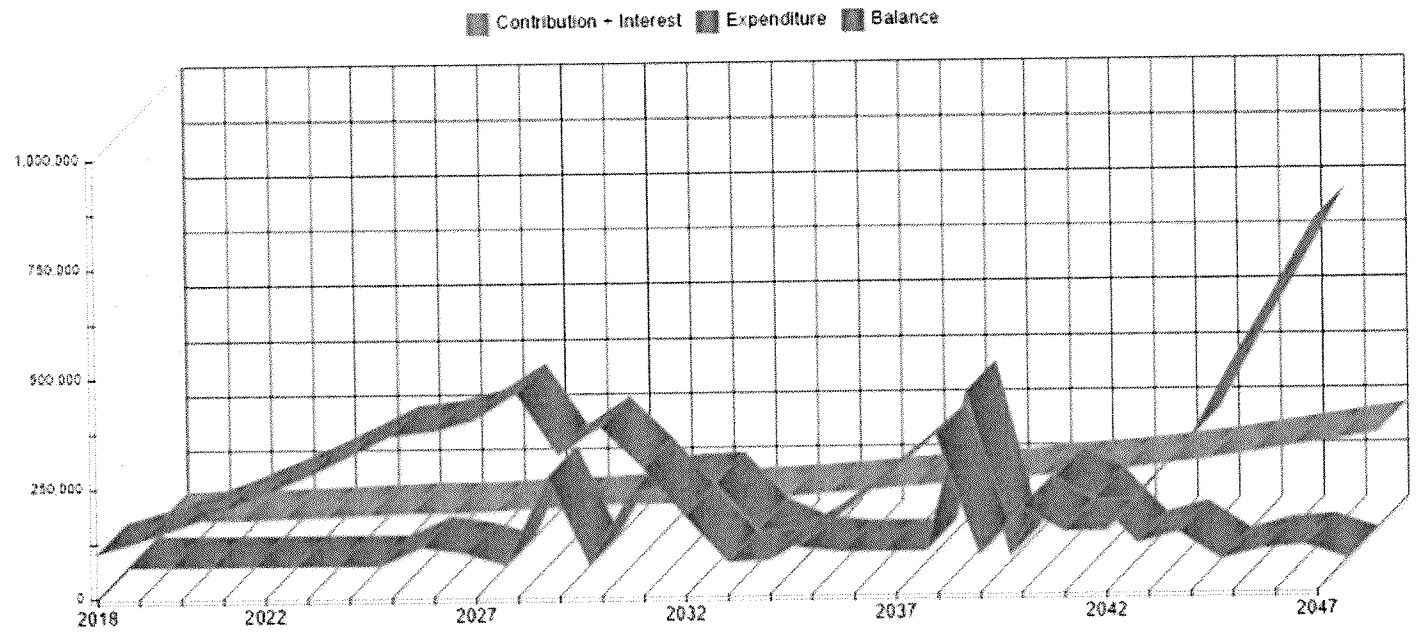
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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Cash Flow - Chart



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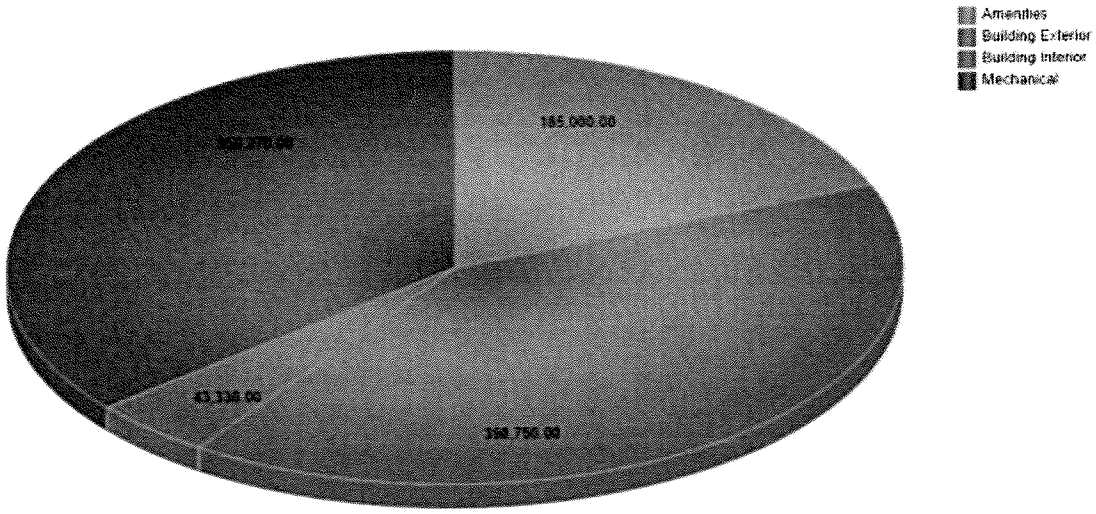
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82-04 Lefferts

Analysis Date - January 1, 2018

Inflation:2.33% Investment:1.00% Cont.Factor:7.00% Adjust.Factor:-62.00% Contingency:0.00%,0:00 CalcMeth:Future

Item Parameter - Category - Chart



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STRATEGIC INSPECTIONS, LLC

Appendix B: PROFESSIONAL QUALIFICATIONS



STRATEGIC INSPECTIONS, LLC

PROFESSIONAL QUALIFICATIONS AND EXPERIENCE

DANIEL T. DORMADY, P.E.

Area of Expertise

Dan Dormady is a degreed Mechanical Engineer with a diverse background of experience. During the past 36 years, his experience has ranged from the inspection of individual homes and industrial facilities to the management of complex multi-million dollar engineering and construction projects.

As the President of Criterium - Dormady Engineers, he is responsible for the development and management of the firm. He is actively involved in serving clients in need of residential and commercial building inspections, investigative engineering, new construction inspections, roofing inspections, structural inspections, environmental site assessments, reserve studies, storm damage assessments and facilities maintenance planning. He has extensive experience with residential and commercial building systems, new construction, property condition assessments, reserve studies, physical needs assessments and phase 1 environmental site assessments.

Qualifications

Before establishing his own firm in 2002, Mr. Dormady was a senior manager with Entergy. Positions included Engineer, Maintenance Superintendent at Waterford 3, Manager, Design Engineering and Manager, Plant Engineering at River Bend Station, and Manager, Business Development. Mr. Dormady was responsible for direction of design and analysis for mechanical and civil/structural aspects of the plant as well as estimating, budgeting, cost control, work management and personnel issues for the various groups of engineers. Mr. Dormady has extensive experience with design of mechanical systems well as modifications and repairs to those systems. He has managed a total of 60 engineers. In addition, Mr. Dormady's most recent duties included directing the development of new gas-fired generation facilities where he was responsible for all aspects of project management and environmental permitting.

Education

Mr. Dormady received his Mechanical Engineering degree from Rensselaer Polytechnic Institute in Troy, NY in 1981. He received a Masters of Business Administration from Louisiana State University in 1999. He has been a Licensed Professional Engineer in the State of Louisiana since 1988 and a licensed home inspector in Louisiana since 2003. He is a licensed home inspector in the state of Louisiana since 2003. He is a member of the National Society of Professional Engineers, the Louisiana Engineering Society and the Community Association Institute.

STRATEGIC INSPECTIONS, LLC

DAVID A. PERTUIT, JR., P.E.
CIVIL/STRUCTURAL ENGINEER

SUMMARY Professional engineer with over fifteen years of engineering and management experience in the design and analysis for a large array of private engineering projects, specifications preparation, structural computer analysis, cost estimates, bid preparation and evaluation, supervision, consulting, and forensic engineering.

EDUCATION B.S.C.E., Washington University in St. Louis, 1998

REGISTRATION
Registered Professional Engineer in Louisiana – Civil Engineering
Registration No. 30989
Registered Professional Engineer in Mississippi
Registration No. 19674
Registered Professional Engineer in New York
Registration No. 088530
Registered Professional Engineer in Texas
Registration No. 114099

PROFESSIONAL EXPERIENCE

Strategic Inspections, LLC
Director of Technical Operations *03/2010 – Present*

- Conduct quality control reviews of all reserve studies, property condition assessments, and transition studies.
- Conduct reserve studies, property condition assessments, and transition studies.
- Manage all internal and subcontract staff.
- Create scopes of services, proposals, and project bids.
- Deliver final product to client as well as follow up with quality control calls.
- Consult on conference calls and meetings regarding the current reserve status of developments.
- Active participant / speaker in industry associations.
- Conducted reserve study presentations for national lending institutions.
- Created internal reserve study guidelines and quality control systems.
- Performed more than one hundred reserve studies on high profile developments for FHA and Fannie Mae reviews.
- Conducted quality control and reviews for all reserve study funding plans.
- Assisted with the development process and database for a proprietary system that provides clients reserve study predeterminations.

Audubon Engineering, Metairie, LA
Senior Structural Engineer *11/2008 – 10/2010*

- Managed and designed the installation of multiple modules and deck extensions.
- Designed various appurtenances for multiple offshore platforms in the Gulf of Mexico.
- Designed various steel structures and reinforced concrete foundations for chemical and petrochemical plants.

Quick & Associates, Inc., Mandeville, LA
Engineering Manager *2/2004– 11/2008*

- Managed multi-discipline engineering and architect staff. Performed performance reviews, approved expenses, and time, reviewed and edited reports prepared by technical staff, and mentored and oversaw performance of technical staff.
- Performed forensic engineering, failure analysis consulting and remedial design preparation associated with structures and foundations. Special expertise in construction induced vibration damage analysis, concrete failure



analysis, construction method and contract performance disputes, storm damage, building code compliance and damage analysis resulting from natural disasters such as hurricanes, tornados, hail storms and earthquakes.
- Managed multi-discipline forensic investigations, including boiler explosions, fire cause and origins, and mechanical equipment failures.
- Evaluated and analyzed over one thousand property damage claims, including catastrophe claims associated with hurricanes, tornados, and hail.

J. Ray McDermott Engineering - New Orleans, LA
Structural Engineer *11/2001 - 2/2004*

- Designed winch support structure, turning sheave support structure, and other miscellaneous Structures for replacing four (4) 1050'-0" mooring chain for ChevronTexaco's Genesis Spar located in 2592' of water.
- Project/Field Engineer for mooring chain replacement for ChevronTexaco's Genesis Spar. Wrote chain replacement procedures and supervised the chain replacement offshore. Worked closely with rigging and welding crews to ensure chain replacement was performed as per written procedures and industry standards.
- Project/Field Engineer for installation of 4-Leg, 8 Skirt pile, 15 Well Drilling Platform and launched jacket located in 665'-0" of water. Created installation manual and reviewed all structural and installation designs.
- Assisted in the design engineering for the TotalFinaElf Carina/Aries platforms. Responsible for the helidecks design, blast walls design, Vent booms design, crane fatigue analysis, and miscellaneous connection details.

Albert-Garaudy and Associates, Inc., Metairie, LA
Civil/Structural Engineer *6/1998 -11/ 2001*

- Designed various appurtenances such as pipe and cable tray racks, stair landings, and various equipment supports and performed load out analysis on deck and jacket for a 3,600-ton six-legged deck for Mobil Chinook project.
- Designed four piled jacket in 58 feet of water for in place, lift, fatigue and transportation conditions and a 144-ft bridge connecting two offshore platforms for Exxon in Galveston Block 209. Supervised installation during GA-209C offshore construction.
- Project Manager and lead Structural Engineer of a multi-discipline Brine Degasifier project for OxyChem Corporation.
- Designed various steel structures and reinforced concrete pile foundations, spread footings, and building foundations for chemical and petrochemical plants.
- Developed cost estimates and proposals and coordinated drafting for projects in the structural department

Manhattan/Gibbs Construction Joint Venture, New Orleans, LA
Field Engineer *5/1997 - 8/1997*

- Assisted in the construction and setting of concrete forms for grade beams and columns for the New Orleans Sports Arena.
- Coordinated with carpenters for laying out grade beams, footings, and columns for The Arena.
- Utilized an engineer's level, transit and total station to layout and place grades in grade beams, columns, footings, and piles.



Appendix C: PHOTOGRAPHS

STRATEGIC INSPECTIONS, LLC



Photo #1:	Front view of the building

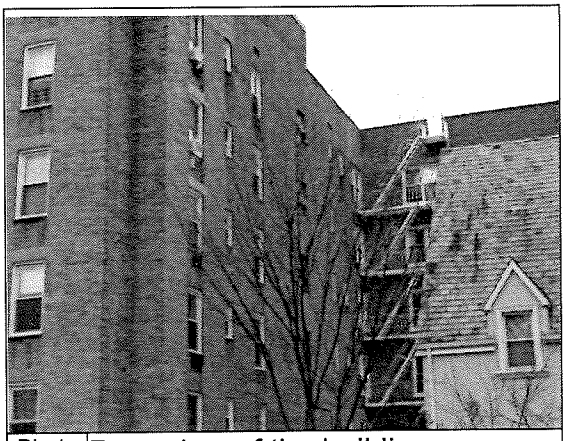


Photo #2:	Rear view of the building



Photo #3:	Right side elevation view

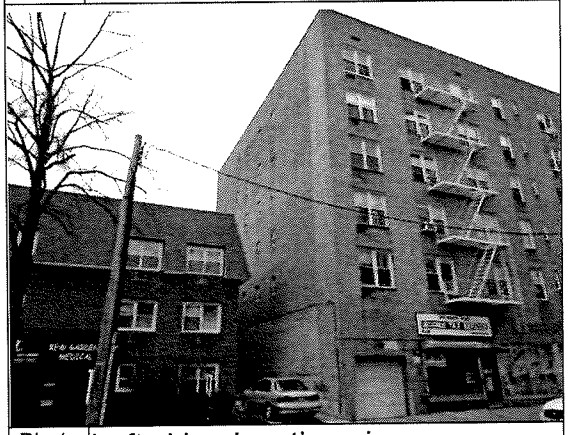


Photo #4:	Left side elevation view

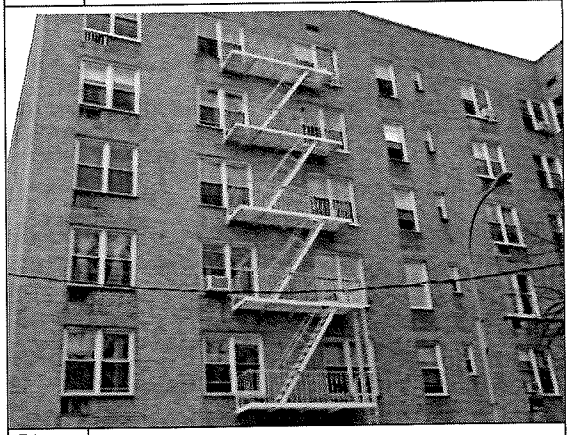


Photo #5:	Fire escape

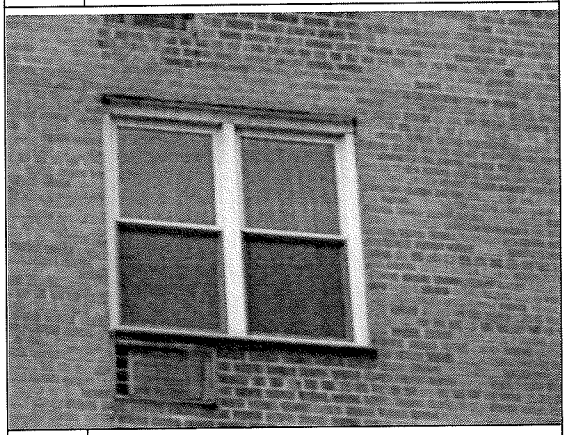


Photo #6:	Typical window

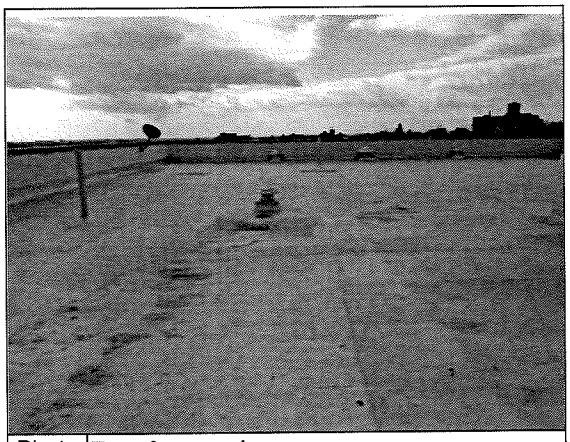


Photo #7:	Roof overview



Photo #8:	Exhaust fans on the roof

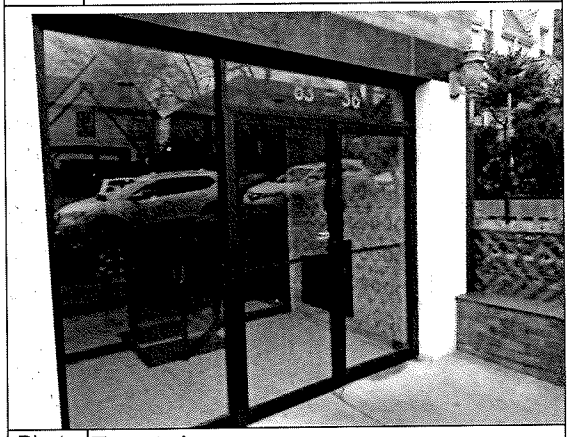


Photo #9:	Front door

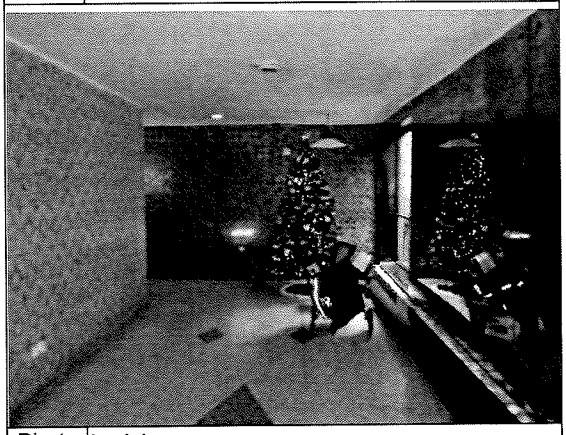


Photo #10:	Lobby

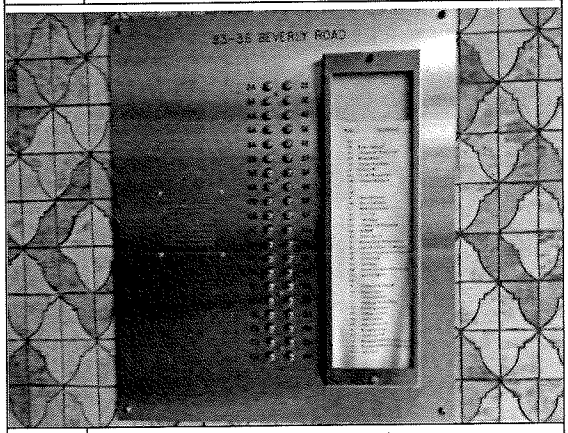


Photo #11:	Security intercom system



Photo #12:	Security camera system

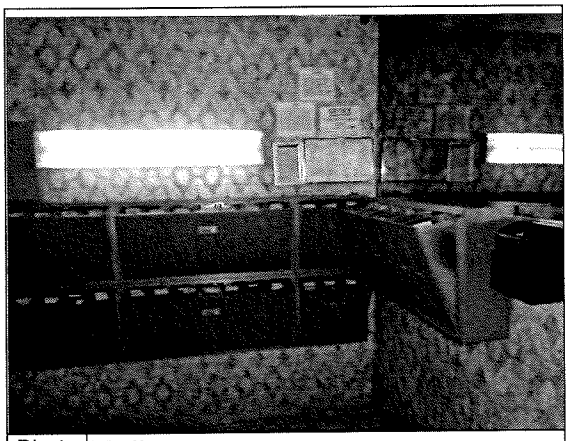


Photo #13:	Mail room

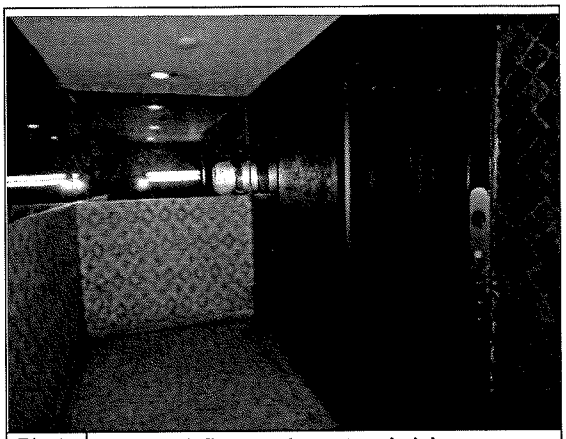


Photo #14:	Ground floor elevator lobby

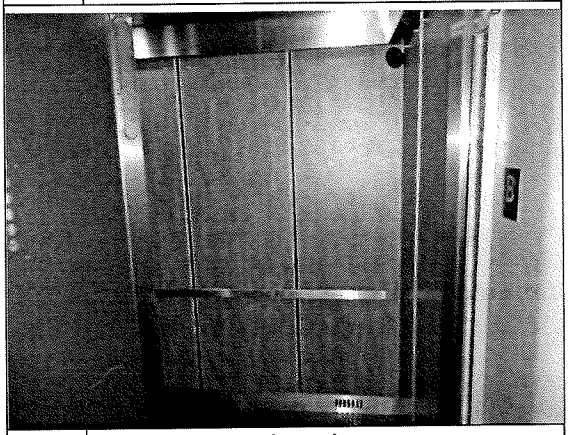


Photo #15:	Elevator cab interior

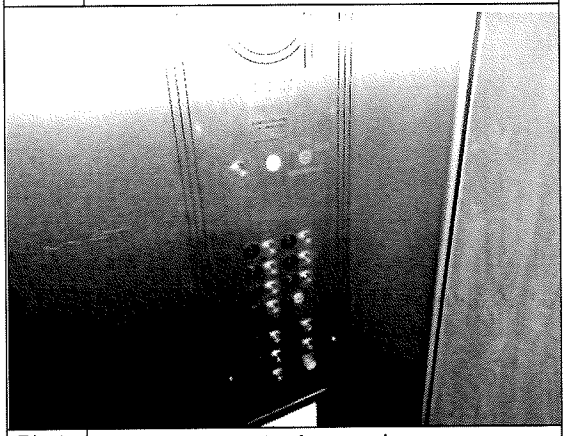


Photo #16:	Elevator control panel

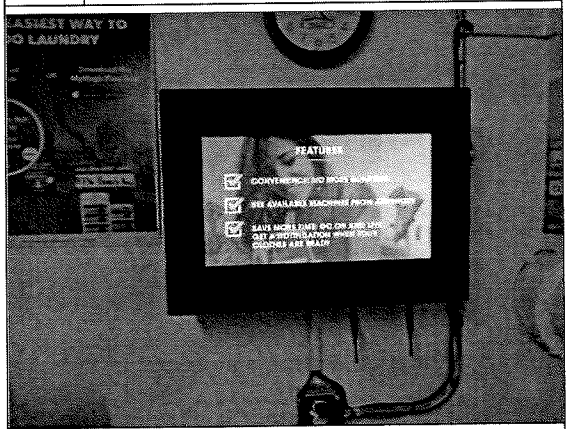


Photo #17:	Smart laundry system

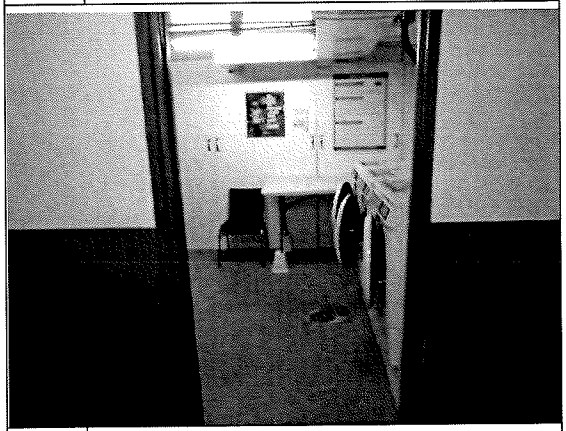


Photo #18:	Laundry room



Photo #19:	Laundry room



Photo #20:	Laundry room

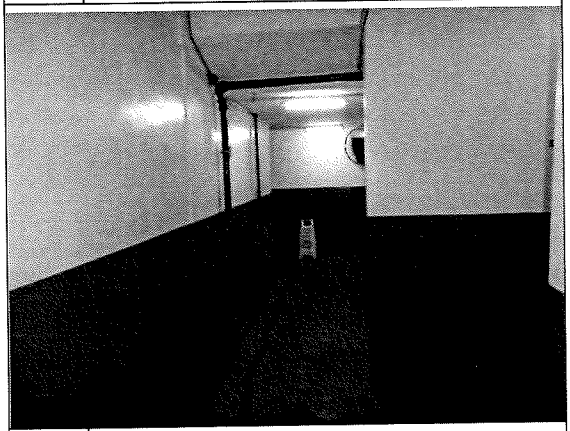


Photo #21:	Back of house corridor

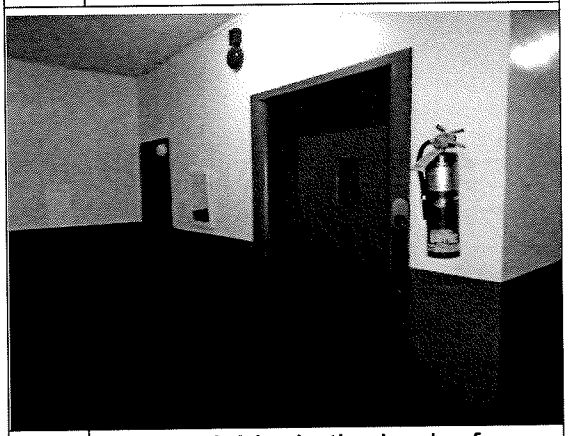


Photo #22:	Elevator lobby in the back of house

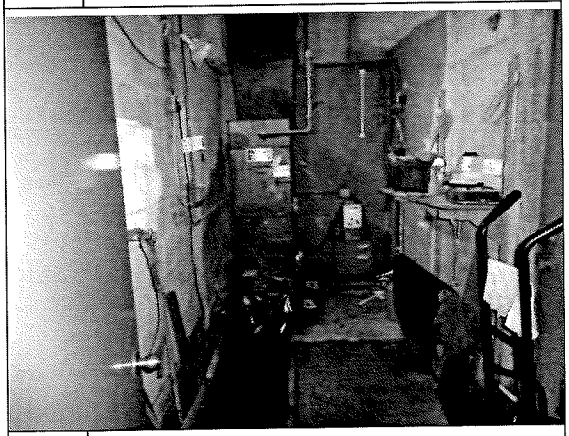


Photo #23:	Trash compactor room

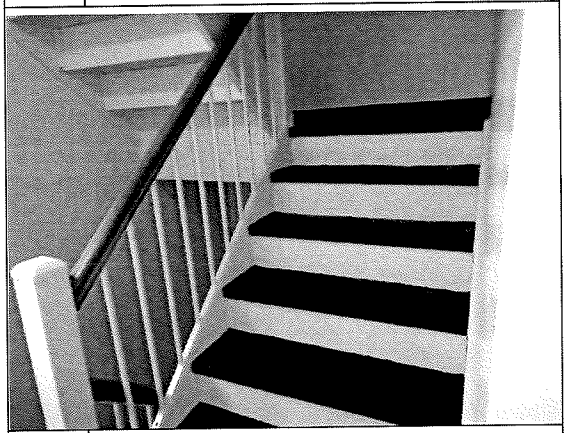


Photo #24:	Interior stairs

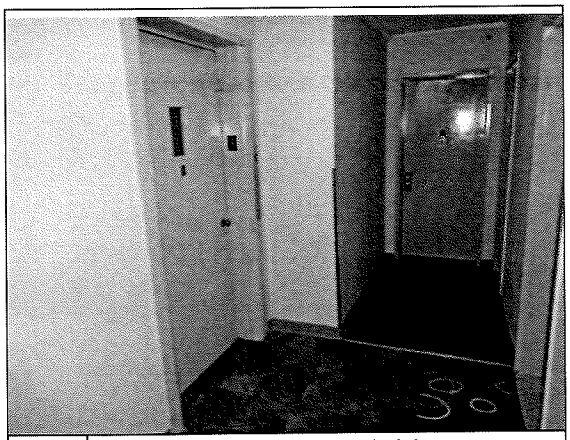


Photo #25:	Upper floor elevator lobby



Photo #27:	Upper floor corridor

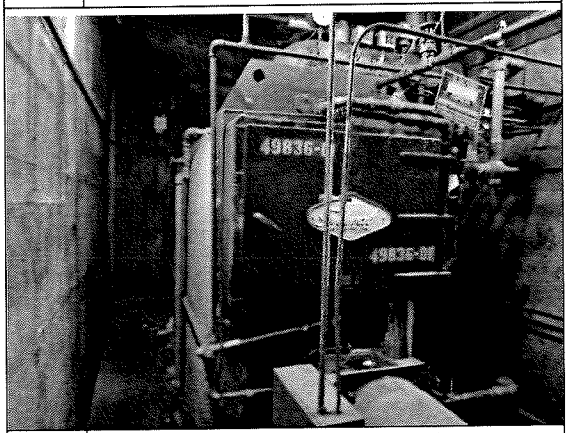


Photo #29:	Heating and hot water boiler

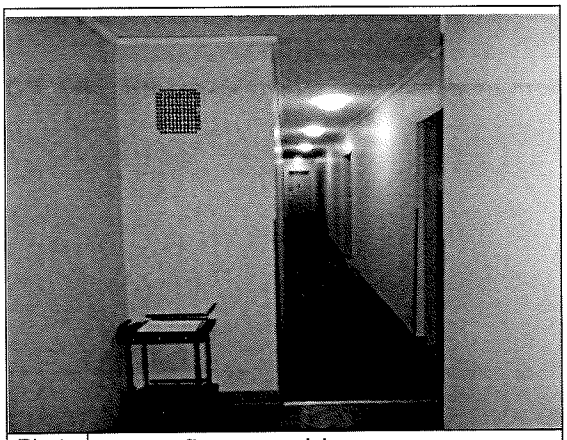


Photo #26:	Upper floor corridor

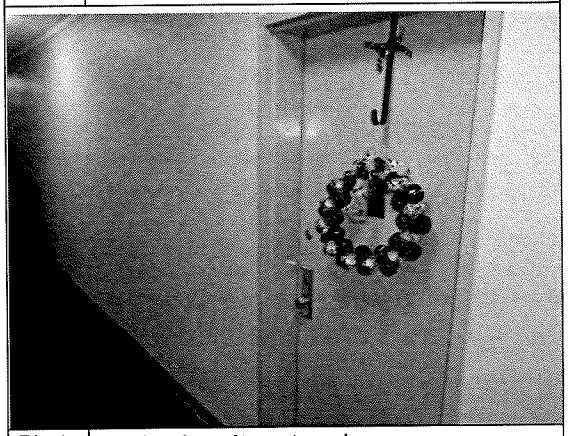


Photo #28:	Typical unit entry door

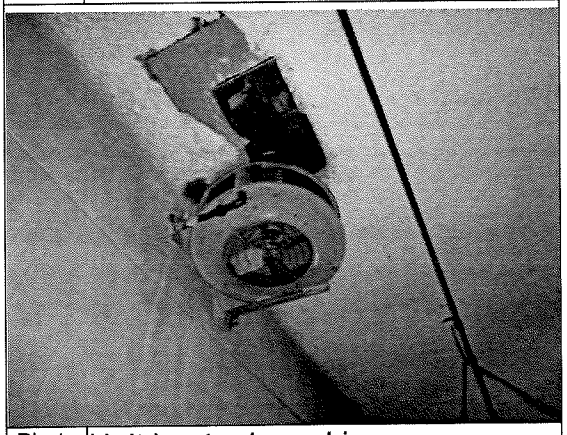


Photo #30:	Unit heater in parking garage

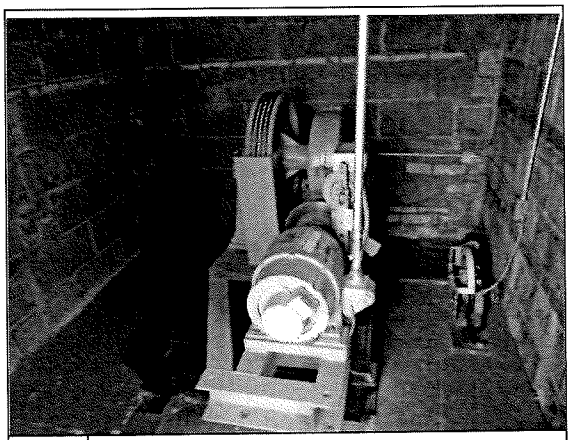


Photo #31:	Elevator machinery

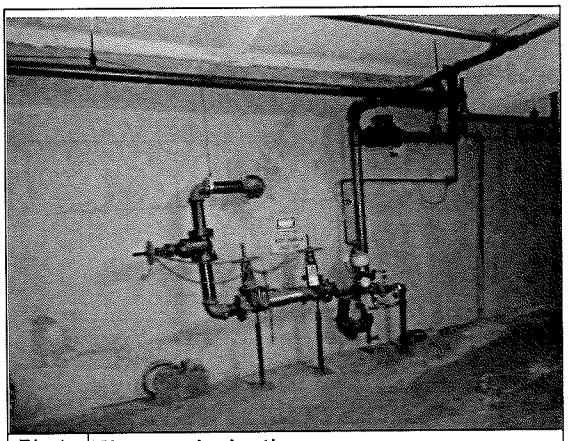


Photo #32:	Fire main in the garage

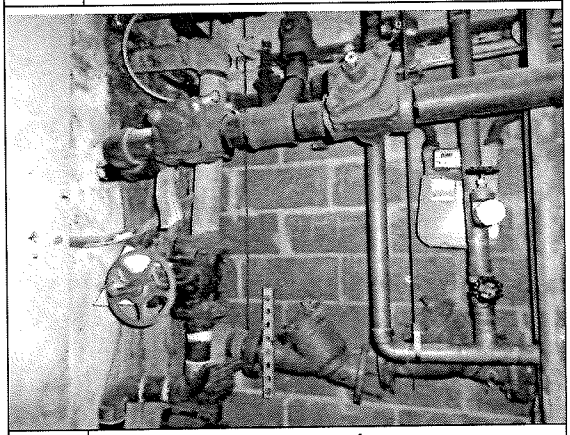


Photo #33:	Domestic water main

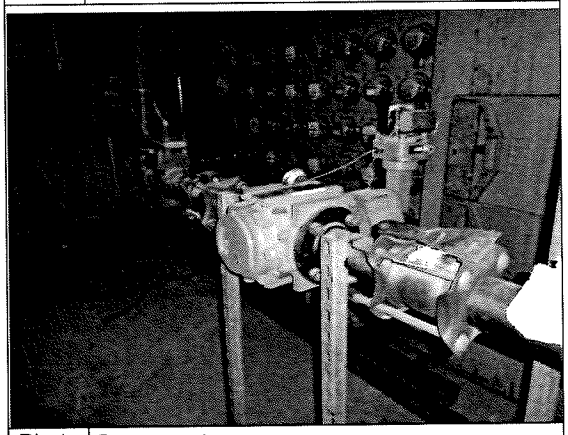


Photo #34:	Gas meter

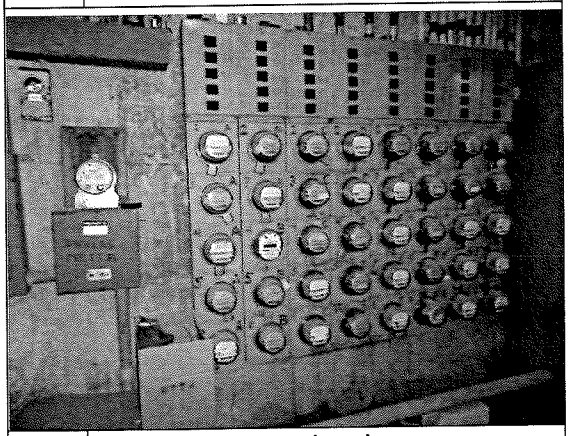


Photo #35:	Electrical meter bank

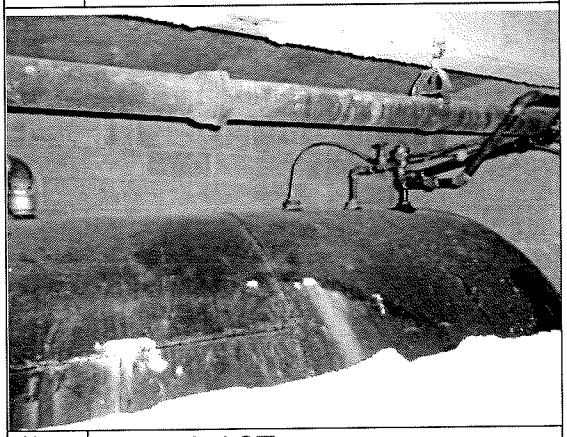


Photo #36:	No 2 FO AST

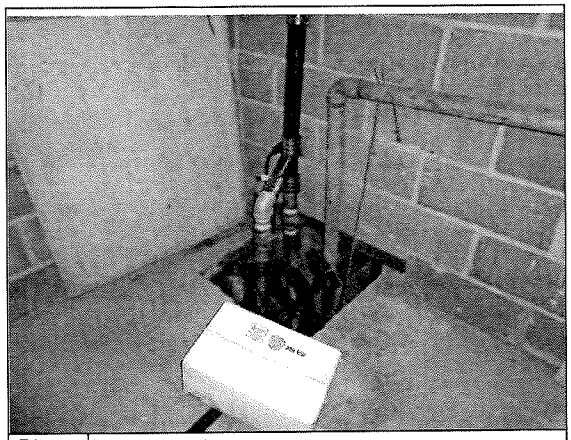


Photo #37:	Duplex Sump pump

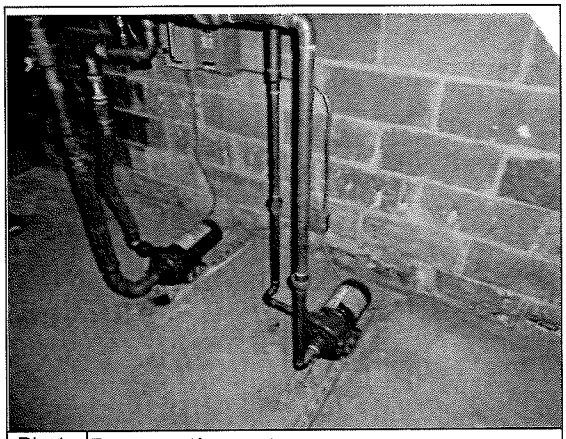


Photo #38:	Domestic water pumps

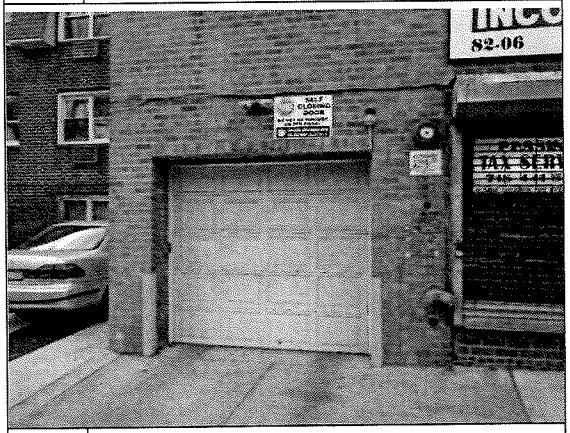


Photo #39:	Parking garage entrance

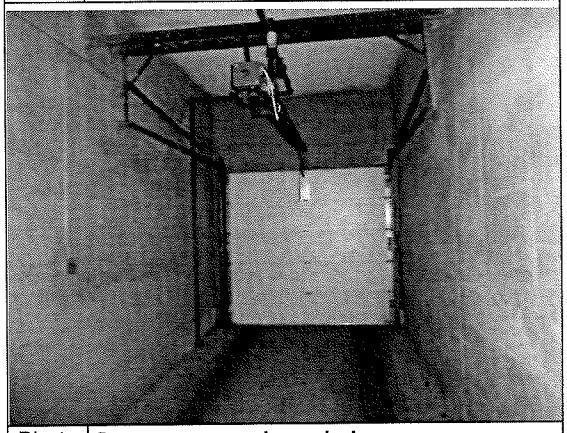


Photo #40:	Garage overhead door

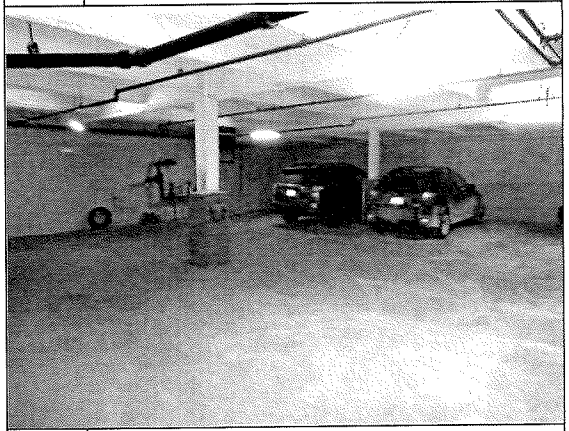


Photo #41:	Parking garage



Photo #42:	Retail on 1st level

STRATEGIC INSPECTIONS, LLC

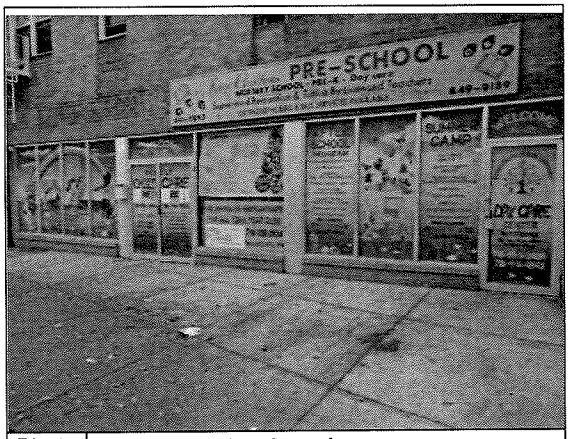


Photo #43:	Retail on 1st level

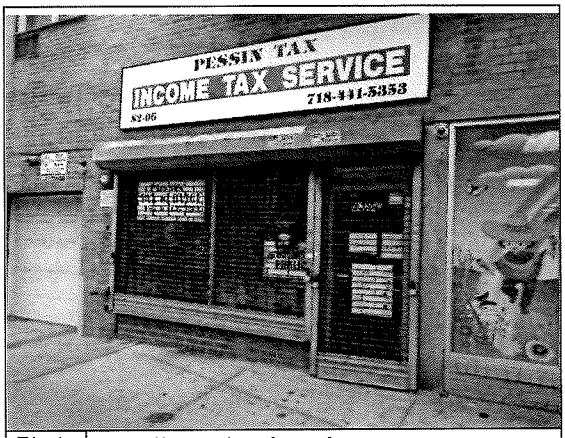


Photo #44:	Retail on 1st level

SCHEDULE L

SCHEDULE L NOTICE TO SHAREHOLDER

82-04 LEFFERTS TENANTS CORP.
8336 REALTY, LLC
MDCM, LLC

c/o Auric Real Estate Management LLC
97-07 63rd Road Mgmt Office
Rego Park, NY 11374

Dated: May 6, 2020

RE: NOTICE TO SHAREHOLDER

To All Shareholders:

Please note that on October 25, 2018, Sponsor submitted to the New York state Department of Law, Real Estate Finance Bureau, a proposed offering plan for the conversion of 82-04 Lefferts Boulevard to a condominium. The final offering plan has not yet been filed with the Department of Law. The law requires Sponsor to disclose all material information concerning the building and the conversion process in the proposed offering plan.

Upon acceptance for filing of the final offering plan with the Department of Law, the plan will be served on all Shareholders. The Attorney General strongly urges Shareholders to read the offering plan carefully and to consult with an attorney to advise as to the meaning and consequences of the offering plan and/or the conversion of this building and your shares from cooperative status to condominium status. No condominium units may be sold or offered for sale, no purchase agreements may be executed, and no escrow payments or downpayments may be accepted by the Sponsor unless and until the Department of Law files the final offering plan.

Shareholders are advised to consult with an attorney prior to entering into a Distribution Agreement and participating in the conversion to discuss the potential consequences of the conversion.

Shareholders are advised that the condominium declaration cannot be filed and, therefore, this building will not be converted into a condominium, unless and until both an offering plan for the building and a subsequent effectiveness amendment has been filed with the Department of Law. This building shall remain a cooperative until such point.

82-04 LEFFERTS TENANTS CORP.

SCHEDULE

Shareholder Name Mail Address Date of Mailing

UNIT	Primary Shareholder	ADDRESS	Date of Mailing
2A	Maurice Peress	714 Sprague Avenue, Franklin Square, NY 11010	5/6/20
2B	Pedro Santiago	83-36 Beverly Road Apt. #2B, Kew Gardens, NY 11415	5/6/20
2C	Chandra Jain	83-36 Beverly Road Apt. #2C, Rego Park, NY 11374	5/6/20
2D	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
2E	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
2F	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
2G	Yosef Mahgerefteh	83-36 Beverly Road Apt. #2G, Kew Gardens, NY 11415	5/6/20
2H	Sharon Jain	83-36 Beverly Road Apt. #2C, Kew Gardens, NY 11415	5/6/20
3A	A. Zavurov	83-19 116th Street Apt. #1F, Richmond Hill, NY 11418	5/6/20
3B	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
3C	Sharon Jain	83-36 Beverly Road Apt. #2C , Kew Gardens, NY 11415	5/6/20
3D	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
3E	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
3F	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
3G	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
3H	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
4B	Alicia Davey	83-36 Beverly Road Apt. #4B, Kew Gardens, NY 11415	5/6/20
4C	Solomon Mahgerefteh	83-36 Beverly Road Apt. #4C, Kew Gardens, NY 11415	5/6/20
4D	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
4E	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
4F	Richard Kelly	114 Hillsboro Avenue , Elmont, NY 11003	5/6/20
4G	Chi Ming	83-36 Beverly Road Apt. #4G, Kew Gardens, NY 11415	5/6/20
4H	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
5A	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
5B	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
5C	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
5D	Catherine Hoffman	714 Sprague Avenue , Franklin Square, NY 11010	5/6/20
5E	Stella Yadegar Koshki	13 Franklin Place, Great Neck, NY 11023	5/6/20
5F	Stella Yadegar Koshki	13 Franklin Place, Great Neck, NY 11023	5/6/20
5G	Adelina Yitzhakov	83-36 Beverly Road Apt. #5G, Kew Gardens, NY 11415	5/6/20
5H	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6A	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6B	Patty O'Connel	83-36 Beverly Road Apt. #6B, Kew Gardens, NY 11415	5/6/20

6C	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6D	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6E	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6F	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6G	8336 Realty, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
6H	Leon Orlando	7 East 35th Street Apt. #10C , New York, NY 10016	5/6/20
GAR1	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR2	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR3	Stella Yadegar Koshki	13 Franklin Place, Great Neck, NY 11023	5/6/20
GAR4	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR5	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR6	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR7	Sharon Jain	83-36 Beverly Road Apt. #2C, Kew Gardens, NY 11415	5/6/20
GAR8	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR9	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR10	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR11	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR12	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20
GAR13	MDCM, LLC	97-07 63rd Road Mgmt Office, Rego Park, NY 11374	5/6/20

#3

AFFIDAVIT OF MAILING

STATE OF NEW YORK)
)ss.:
COUNTY OF)

David Boyasian, being duly sworn, deposes and says the following:

1. Deponent is over 18 years of age and has an address at 40-13 Broadway, 4A, Long Island City, NY 11103.

2. On May 6, 2020, deponent mailed copies of the Notice to Shareholders of the Submission to the NY State Dept. of Law to the shareholders listed in the Schedule attached hereto by depositing the same enclosed in the post-paid properly addressed envelope in an official depository under the exclusive care and custody of the United States Post Office Department within the State of New York.

[redacted]
DAVID BOYASIAN

Sworn to before me this
day of , 20

NOTARY PUBLIC

CHARLENE SESSOMS - NOTARY PUBLIC
No. 50094163
STATE OF NEW JERSEY
Exp. November 19, 2023
BERGEN COUNTY, NEW JERSEY

SCHEDULE M

REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of September 23, 2019, by and between 82-04 LEFFERTS TENANTS CORP. ("Seller"), a New York corporation, with an office at 82-04 Lefferts Boulevard, Kew Gardens, New York 11415 and 8336 REALTY, LLC, a New York limited liability company, or its designee ("Purchaser"), with an office at Auric Real Estate Management LLC, 97-07 63rd Road Mgmt. Office, Rego Park, NY 11374. (The date this Agreement is executed and delivered by both Seller and Purchaser is the "Effective Date"). (Seller and Purchaser are collectively referred to herein as the "Parties".)

RECITALS

Seller is the owner of the shares that are attributable to the Units of the cooperatively owned building known as 82-04 Lefferts Boulevard, Kew Gardens, New York, and more particularly described in Exhibit A attached hereto ("Property"). Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, shares allocated to the four (4) retail spaces on the ground floor of the Property totaling approximately 5,320 square feet and the residential Unit No. 4A and the improvements thereon and personal property related thereto, in accordance with and subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of Ten Dollars ($10.00), the mutual covenants and agreements herein set forth and the benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller agree as follows:

1. PURCHASE AND SALE.

Subject to and in accordance with the terms and conditions set forth in this Agreement, Purchaser will purchase from Seller, and Seller will sell to Purchaser, the shares and the appurtenant proprietary leases for the interest in the (4) retails spaces on the ground floor with street exposure and one (1) residential unit known as Unit No. 4A ("Units") including the structures, fixtures, improvement areas located on, in, under, or upon the Units ("Improvements"), and any and all rights, easements, licenses and privileges presently thereon, thereunder or appertaining to the Units and/or Improvements including, without limitation, all of Seller's right, title and interest in the shares attributable to the Units. (all of the foregoing, collectively with the Units and Improvements shall be referred to herein as the "Property"); (ii) all tangible property owned by Seller, located on the Property and/or used in connection therewith (collectively, "Personal Property"); (iii) to the extent assignable and subject to the terms hereof, all of Seller's right, title, and interest in all intangible property including, without limitation,

all licenses, permits, authorizations, signage rights, development rights and approvals and tax credits ("Intangible Property"), if any, pertaining to the Units, Improvements or the Personal Property or the use thereof, transferable utility contracts, web domains, termite bonds, warranties, plans and specifications, any engineering plans and studies and floor plans; (iv) all easements, if any, benefiting the Property; and (v) all rights and appurtenances pertaining to the foregoing, including any right, title, and interest of Seller in and to adjacent streets, alleys, or rights-of-way; (items (i) through (v) are collectively referred to in this Agreement as the "Property").

2. PURCHASE PRICE.

2.1 Subject to adjustment as set forth herein, the total consideration to be paid by Purchaser to Seller for the Property is One Million Six Hundred Thousand Dollars ($1,600,000) ("Purchase Price"). The Purchase Price, plus or minus, the closing prorations and adjustments to be made pursuant to this Agreement, will be paid at Closing (as such term is defined in Section 4.1 herein).

2.2 Within five (5) business days following the expiration of the Inspection Period (as such term is defined in Section 5.1(a) herein), the Purchaser will deposit with the Escrow Agent the sum One Thousand Dollars ($1,000.00). (Such deposit, together with all interest earned thereon net of investment costs, are collectively referred to in this Agreement as the "Deposit".) The Deposit will be applied to the Purchase Price at Closing (as such term is defined in Section 4.1 herein) or be disbursed pursuant to the remaining provisions of this Agreement.

2.3 Purchaser will not assume any obligation of Seller at Closing.

3. CONDOMINIUM CONVERSION.

3.1 The Purchaser acknowledges that the Seller expects to convert the Property from a cooperative to a condominium form of ownership ("Conversion") by way of a condominium offering plan filed with the New York State Department Of Law ("Offering Plan")which will include the Units as commercial units along with 40 residential units encompassing the entire Property. The Purchaser commits to participate in the Conversion subject to the final Offering Plan.

3.2 Purchaser will, at its expense, obtain a title insurance commitment for the Property ("Purchaser's Title Report") from a title company of Purchaser's choice (the "Title Company"), and deliver a copy of Purchaser's Title Report to Seller. Purchaser will also, at its expense, obtain a title survey of the Property prepared by a Units surveyor licensed by the State of New York (the "Survey"). Within forty-five (45) days of the Effective Date, Purchaser will deliver to Seller a list of any items appearing on Purchaser's Title Report and/or the Survey to which Purchaser objects ("Purchaser's Title Objections"). Not later than ten (10) business days after Seller's receipt of Purchaser's Title Objections, Seller

shall notify Purchaser in writing ("Seller's Title Response") which of the Purchaser's Title Objections, if any, Seller intends to cure, including when and in what manner said items will be cured. If Purchaser is dissatisfied with Seller's Title Response or lack of response, Purchaser will have ten (10) business days from receipt of Seller's Title Response or the date upon which Seller is required to reply and it fails to do so, to either: (i) terminate this Agreement, in which event the Deposit shall be paid to Purchaser and neither party shall have any further obligation to the other, except for the provisions of this Agreement that expressly survive its termination; or (ii) agree to accept only those Purchaser's Title Objections not identified in Seller's Title Response as those which Seller will cure, and proceed to Closing under this Agreement without reduction in the Purchase Price. Notwithstanding anything to the contrary, Seller is obligated to remove and discharge all mortgages, judgments, tax liens and other liens which are dischargeable by the payment of a sum certain at the Closing ("Monetary Liens"). If Seller elects to cure any of Purchaser's Title Objections, Seller will do so prior to the Closing.

3.3 Notwithstanding anything in this Section 3 to the contrary, Seller will provide the Title Company with customary title affidavits, evidence of authority, organizational documents and such other documents and agreements as are reasonably requested by the Title Company to issue to Purchaser a ALTA Owner's Policy of Title Insurance ("Title Policy") insuring title to the Property in the amount of the Purchase Price, subject only to the Permitted Exceptions (as hereinafter defined).

3.4 The term "Permitted Exceptions" shall mean all of the following: (a) liens for Property taxes and assessments for the year of Closing that are not yet due and payable, (b) (intentionally omitted), (c) matters shown on the Survey excluding those that Seller has agreed to cure or remove prior to Closing pursuant to Section 3.2 hereof, (d) all recorded easements, restrictions, agreements and encumbrances excluding those that Seller has agreed to cure or remove prior to Closing pursuant to Section 3.2 hereof and (e) any title exception created directly by any act of Purchaser or its representatives, agents, or employees. "Permitted Exceptions" shall not include: (x) Monetary Liens, (y) past due taxes and assessments against the Property, and (z) any construction, mechanic's, materialmen's, or other liens against the Property. The Property will be vacant at Closing, free and clear of all tenancies and rights of others.

3.5 If an update of Survey or any supplement or update to Purchaser's Title Report issued subsequent to the date of the original Purchaser's Title Report discloses any adverse matters first arising subsequent to the date of the Survey or the original Purchaser's Title Report, then, no later than the later of (i) thirty (30) days prior to the Closing, or (ii) five (5) Business Days after Purchaser's receipt of such update of Survey, or supplemental or updated Purchaser's Title Report, as applicable, Purchaser shall have the right to object to

any such matter, in which event the same procedures for response, termination and waiver set forth above shall apply to such new objections.

3.6 At Closing, title to the Units conveyed to Purchaser shall be good and marketable and free and clear of all liens and rights of others, subject only to the Permitted Exceptions and insurable at regular rates. Since the Units have existing leases and thereby occupied by commercial tenants under such leases, actual possession of the Units shall not be delivered to Purchaser at Closing. Title to the Property shall be conveyed by delivery by a certificates of stock and proprietary leases for each Unit (the "Share Ownership").

4. CLOSING.

4.1 Closing Date. Subject to the terms and conditions hereof including, without limitation, Section 5.1 hereof, the closing ("Closing") of the purchase and sale of the Units shall occur within thirty (30) days following the approved filing of the amendment of the Cooperative's offering plan regarding this Agreement and receipt of the Mortgage Commitment, hereof on not less than ten (10) days' written notice provided by Purchaser to Seller; such written notice specifying the date, time and place of Closing in the New York City, New York.

4.2 Seller's Closing Deliveries. At Closing, Seller shall execute (as and where appropriate) and deliver to Title Company all of the following:

4.2.1 the Share Ownership to the Units.

4.2.2 a Bill of Sale conveying the Personal Property to Purchaser with a warranty of title in the form reasonably acceptable to Purchaser.

4.2.3 an affidavit stating Seller's U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code.

4.2.4 such evidence of Seller's power and authority as the Title Company may reasonably require.

4.2.5 a closing statement prepared by the Title Company and agreed upon by Purchaser and Seller ("Closing Statement") setting forth the prorations and adjustments to the Purchase Price as required by Section 4.4 or otherwise in this Agreement.

4.2.6 a Form 1099-S Statement.

4.2.7 any additional documents Purchaser or the Title Company may reasonably require for the proper consummation of the transaction contemplated by this Agreement or that may be usual and customary in closing similar transactions in the State of New York.

4.3 Purchaser's Closing Deliveries. At Closing, Purchaser shall execute (where appropriate) and deliver to the Title Company the following:

4.3.1 the Purchase Price, less pro rations permitted by this Agreement.

4.3.2 a counterpart original of the Closing Statement.

4.3.3 such evidence of Purchaser's power and authority as the Title Company may reasonably require.

4.3.4 a Form 1099-S Statement.

4.3.5 any additional documents Seller or the Title Company, may reasonably require for the proper consummation of the transaction contemplated by this Agreement or that may be usual and customary in closing similar transactions in the State of New York.

4.4 Closing Prorations and Adjustments. The Title Company shall prepare the Closing Statement of the prorations and adjustments required by this Agreement and submit it to Seller and Purchaser at least ten (10) days prior to the Closing Date. The following items are to be prorated or adjusted (as appropriate) as of the close of business on the Closing Date it being understood that for purposes of prorations and adjustments, Seller shall be deemed the owner of the Property prior to such day and Purchaser shall be deemed the owner of the Property as of the day of the Closing Date; provided however, if Purchaser's funds are not received prior to 2:00 p.m. (Eastern Standard Time) on the Closing Date, then the Seller shall be deemed the owner of the Property on such day and Purchaser shall be deemed the owner of the Property as of the day after the Closing Date:

4.4.1 Cooperative maintenance fees, real estate and personal property taxes and assessments (on the basis of the most recent ascertainable tax bill if the current bill is not then available).

4.4.2 Water and sewer charges.

4.4.3 Rents collected or due

4.4.4 Security deposits for current tenants

Except with respect to real estate taxes (which shall be re-prorated upon the issuance of the actual bills, if necessary), any amount which must be estimated at Closing shall be re-prorated and finally adjusted as soon as practicable after the

Closing Date, subject to this Section 4.4, all prorations shall be final at Closing. The obligations of the Purchaser and Seller under this Section 4.4 shall survive the Closing.

4.5 Transaction Costs. Purchaser will pay the Title Company's (in its capacity as Title Company) closing fees and other standard closing costs. Purchaser shall pay all transfer taxes related to Seller's transfer of title in the Units to Purchaser. Each Party will be responsible for its costs incurred in connection with this Agreement and Closing. Seller and Purchaser shall each be responsible for the fees of their respective attorneys. This Section 4.5 shall survive the Closing or any termination of this Agreement.

5. Purchaser's Conditions Precedent. Purchaser's obligation to close hereunder is subject to satisfaction of all of the following (any one or more of which may be waived by Purchaser in writing in its sole discretion):

5.1 Mortgage Contingency. Purchaser has received a firm commitment from an institutional lender for a mortgage on market terms and conditions and otherwise acceptable to the Purchaser in its sole discretion ("Mortgage Commitment"). Purchaser agrees to make a good faith effort to obtain the Mortgage Commitment.

5.2 Performance. All representations and warranties made by Seller herein were true when made and are true and correct on the date of Closing. All of the covenants and agreements of Seller hereunder are fully complied with and performed, Seller has furnished to Purchaser and/or the Title Company all items required to be furnished hereunder as of the date of Closing.

6. CASUALTY LOSS AND CONDEMNATION.

6.1 Seller bears the risk of loss until Closing.

7. BROKERAGE.

Neither Seller nor Purchaser have engaged a broker in connection with the sale and purchase of the Property. Seller and Purchaser each hereby indemnifies and holds the other harmless from and against any and all claims of all other brokers and finders claiming by, through or under the indemnifying party and in any way related to the sale and purchase of the Property, this Agreement or otherwise, including, without limitation, reasonable attorneys' fees and expenses incurred by the indemnified party in connection with such claim. This Section 7 will survive Closing and the termination of this Agreement.

8. DEFAULT AND REMEDIES.

8.1 Notwithstanding anything to the contrary contained in this Agreement, if Seller fails to perform any of its material obligations or agreements contained herein in accordance with the terms of this Agreement and fails to cure such default within ten (10) business days following written notice thereof from Purchaser, then Purchaser may (a) terminate this Agreement by providing written notice thereof to Seller, in which event Seller will reimburse Purchaser on demand for all of Purchaser's out-of-pocket costs in negotiating this Agreement, completing its due diligence and preparing for Closing (collectively, "Purchaser's Costs"), and/or (b) pursue any and all remedies available to it under law or in equity, including bringing an action for specific performance, and if Purchaser brings a legal action against Seller for specific performance, Seller will pay the costs incurred by Purchaser in connection with such action for specific performance.

8.2 If Purchaser fails to perform any of its material obligations or agreements and such failure continues for ten (10) days following written notice thereof from Seller, or Purchaser fails to complete the Closing as contemplated herein (except for permitted terminations set forth herein), and in either case Seller is not then in default of any of its obligations or agreements contained herein, then Seller may, as Seller's sole remedy hereunder, terminate this Agreement and retain the Deposit as liquidated damages, and not as a penalty, and Seller and Purchaser shall have no further obligations or liabilities one to the other hereunder (except for liabilities that expressly survive termination). The parties acknowledge and agree that the actual damages in the event of a default by Purchaser are uncertain in amount and difficult to ascertain, and that the liquidated damages amount set forth herein is reasonable.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Seller. As of the Effective Date and at Closing, Seller represents and warrants to Purchaser as follows:

9.1.1 Organization. Seller is a New York corporation organized, validly existing and in good standing under the laws of the State of New York.

9.1.2 Power and Authority. Seller has the full power, right and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance of this Agreement by Seller have been duly and properly authorized by proper company action in accordance with applicable law and with the Bylaws of the Seller. Notwithstanding this representation, Seller intends to seek ratification and approval of this Agreement from the shareholders of the Seller within 60 days of the Effective Date of this Agreement.

9.1.3 No Violations. Seller has not received from any governmental authority notice of any violation of any building, fire or health code or any other statute applicable to the Property. Seller has not received notice of

any violation affecting the Property or the Units and is unaware of any pending or threatened action with respect to the Property of the Units.

9.1.4 No Litigation. There is no action, suit or proceeding pending, or, to the best of Seller's knowledge, threatened or contemplated against the Property or adversely affecting the Property, or the operation or development thereof, either directly or indirectly.

No Conflicts. Neither Seller nor the Property is subject to any agreement or obligation, including but not limited to, any right of first refusal, redemption right or option to purchase in favor of a third party, which would or could prevent Seller from completing the transfer of the Property under this Agreement or that would bind Purchaser or the Property subsequent to the Closing Date.

9.1.5 U.S. Persons. Seller and all persons or entities having beneficial interests in the Property are "United States Persons," as defined in Section 1445(f)(3) and Section 7701(g) of the Internal Revenue Code of 1986, as amended, and the purchase of the Property by Purchaser as contemplated herein will not be subject to the withholding requirements of Section 1445(a) of the Code.

9.1.6 ERISA No Applicable. (i) Seller is not an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 ("ERISA"), which is subject to Title I of ERISA, or a "plan" as defined in Section 4975(e)(1) of the Code, which is subject to Section 4975 of the Code; and (ii) the assets of Seller do not constitute "plan assets" of one or more such plans for purposes of Title I of ERISA or Section 4975 of the Code; and (iii) (a) Seller is not a "governmental plan" within the meaning of Section 3(32) of ERISA, and assets of Seller do not constitute plan assets of one or more such plans; and (b) transactions by or with Seller are not in violation of state statutes applicable to Seller regulating investments of and fiduciary obligations with respect to governmental plans.

9.1.7 Environmental. There was no production, generation, treatment, collection, disposal, discharge, or storage on the Property or in any structures situated thereon of any hazardous or toxic substance, material or waste ("Hazardous Substances") in violation of any applicable federal, state or local environmental laws, ordinances, restrictions, licenses, or regulations, including, but not limited to, the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), Safe Drinking Water Act (42 U.S.C. §3000(f) et seq.), Toxic Substances Control Act (15 U.S.C. §2601 et seq.), Clean Air Act (42 U.S.C. §7401 et seq.), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), the Spill Compensation and Control Act, the New Jersey Industrial Site Recovery Act, Spill Compensation and Control Act, and the Clean Water Act and other similar statutes of the state and county in which the Property and is located (collectively, the "Environmental Laws"). Seller has not received any written notices from any governmental agency or other third party regarding the existence of any

hazardous or toxic substance, material, or waste on the Property or in the structures situated thereon or requiring the removal, clean-up, or remediation of any environmental condition relating to the Property. To Seller's knowledge the Property is not subject to any enforcement action by any governmental agency regarding the environmental condition of the Property. No underground storage tanks are located on the Property.

9.1.8 Compliance with International Trade Control Laws and OFAC Regulations. Seller is not now nor shall it be at any time prior to or at the Closing an individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC ("Specially Designated Nationals and Blocked Persons")) or otherwise. Neither Seller nor any Person who owns an interest in Seller (collectively, a "Seller Party") is now nor shall be at any time prior to or at the Closing 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 ("Financial Institution"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC (including those executive orders and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise.

9.1.9 Anti-Money Laundering Laws. To the best of Seller's knowledge after making due inquiry, including inquiry of Seller, neither Seller nor any person providing funds to Seller: (i) is under investigation by any governmental authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities, any crimes which in the United States would be predicate crimes to money laundering, or any violation of any Anti Money Laundering Laws (as hereinafter defined in this Section); (ii) has been assessed civil or criminal penalties under any Anti-Money Laundering Laws; or (iii) has had any of its funds seized or forfeited in any action under any Anti Money Laundering Laws. For purposes of this Subsection (i), the term "Anti-Money Laundering Laws" shall mean all applicable laws, regulations and sanctions, state and federal, criminal and civil, that: (w) limit the use of and/or seek the forfeiture of proceeds from illegal transactions; (x) limit commercial transactions with designated countries or individuals believed to be terrorists,

narcotics dealers or otherwise engaged in activities contrary to the interests of the United States; (y) require identification and documentation of the parties with whom a Financial Institution conducts business; or (z) are designed to disrupt the flow of funds to terrorist organizations. Such laws, regulations and sanctions shall be deemed to include the USA PATRIOT Act of 2001, Pub. L. No. 107-56 (the "Patriot Act"), the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 *et. seq.*, the Trading with the Enemy Act, 50 U.S.C. App. Section 1 *et. seq.*, the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 *et. seq.*, and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

9.1.10 Seller Compliance with Patriot Act. Seller is in compliance with any and all applicable provisions of the Patriot Act.

9.1.11 There are no leases, license agreement or occupancy agreements in effect regarding the Property or any portion thereof.

9.1.12 Sellers have not received notice of any condemnation proceedings relating to all or portion of the Property.

9.1.13 There are no contracts or agreements that would be binding on Purchaser or the Property after Closing.

9.2 Purchaser. As of the Effective Date, Purchaser represents and warrants to Seller as follows:

9.2.1 Organization. Purchaser is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of New York;

9.2.2 Power and Authority. Purchaser has full power, right and authority to enter into and perform its obligations under this Agreement, and the execution, delivery and performance of this Agreement by Purchaser have been duly and properly authorized by proper company action in accordance with applicable law and with the operating agreement of Purchaser;

9.2.3 Purchaser is not a person or entity described by Section 1 of the Executive Order (No. 13,224) Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, 66 Fed. Reg. 49,079 (September 24, 2001), and Purchaser does not engage in any dealings or transactions, and is not otherwise associated, with any such persons or entities;

9.2.4 Purchaser is in compliance and shall comply with any applicable anti-money laundering and terrorist financing laws, including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept

and Obstruct Terrorism Act of 2001 ("USA Patriot Act") and the U.S. Bank Secrecy Act ("BSA") and applicable regulations adopted to implement the provisions of such laws, including policies and procedures that can be reasonably expected to detect and cause the reporting of transactions under Section 5318 of the BSA; and

9.2.5 Purchaser is not a person or entity that and shall not be a person or entity that: (i) is acting, directly or indirectly, on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any of the applicable lists issued by the U.S. Office of Foreign Assets Control ("OFAC"); (ii) resides or has a place of business in a country or territory named on any of such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering ("FATF"); (iii) is a "Foreign Shell Bank" within the meaning of the USA Patriot Act; or (iv) resides in or is organized under the laws of a jurisdiction designated by the U.S. Secretary of the Treasury under Sections 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns.

9.3 Charges. If at any time after the execution of this Agreement and prior to Closing, either Purchaser or Seller become aware of information that causes any material representation and warranty contained in this Agreement to become untrue in any material respect, said party shall promptly disclose said information in writing to the other party hereto. Provided, that the party making the representation has taken no willful act to cause the representation to become untrue, said party shall not be in default under this Agreement and the sole remedy of the other party shall be to either (i) terminate this Agreement, in which event this Agreement, without further action of the parties, shall become null and void and the Deposit will be returned to Purchaser and Seller will reimburse Purchaser on demand for all Purchaser's Costs whereupon the parties will have no further rights or obligations one to the other except to the extent provisions of this Agreement expressly survive its termination, or (ii) elect to proceed to Closing, in which case such party shall be deemed to have waived its rights with respect to any such breach of representation or warranty.

9.4 Survival. The representations and warranties set forth in this Section 9, shall be deemed to be remade as of Closing Date and shall survive the Closing and the delivery of the Share Ownership for a period of two (2) years from the Closing Date (the "Survival Period").

10. (Omitted).

11. OPERATION OF THE PROPERTY.

From the Effective Date until the Closing Date or earlier termination of this Agreement, Seller shall:

11.1 operate the Property in its ordinary course of business (provided, that such obligation shall not include incurring any capital expenditures except to the extent that such expenditures are necessary to maintain the Property in good operating condition) and shall not sell, lease, further pledge, or otherwise transfer or dispose of all or any part of any Property (except for such items of Personal Property as become obsolete or are disposed of in the ordinary course of business);

11.2 not enter into any new written service contract with respect to the Property that will not be cancelable by Purchaser without penalty upon no greater than thirty (30) days' notice, without the prior written consent of Purchaser which consent will not be unreasonably delayed, conditioned or withheld; and provided, that if Purchaser does not respond in writing to Seller's request for Purchaser's consent within ten (10) business days following such written request, Purchaser's consent shall be deemed granted; and

11.3 maintain in full force and effect its current or equivalent property and liability insurance on the Property. Purchaser shall be named as an additional insured under the respective insurance.

12. MISCELLANEOUS.

12.1 This Agreement, together with the Exhibits hereto, comprise the entire Agreement between the parties hereto regarding the subject matter hereof and to proceed all prior understandings and Agreement. No variations, modifications, changes or amendments hereof shall be binding upon any party hereto unless in writing and executed by both parties. All covenants and obligations contained in this Agreement shall extend and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

12.2 Purchaser may, without Seller's consent but with notice to Seller, assign Purchaser's rights in this Agreement to a third party, but in such event Purchaser shall remain liable to Seller hereunder.

12.3 No failure or delay on the part of any party in exercising any right, power or privilege hereunder or under any of the documents delivered in connection with the Agreement shall operate as a waiver of such rights, power or privilege, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof, or of the exercise of any other right, power or privilege.

12.4 If any provision of this Agreement shall, for any reason, violate applicable law, and so much of this Agreement held unenforceable, then the invalidity of the specific provision shall not invalidate any other provision of this Agreement, all of which shall remain in full force and effect.

12.5 This Agreement may be executed and delivered in any number of counterparty, all of which taken together shall constitute one and the same Agreement. A signature delivered by facsimile or by electronic mail, or similar device, shall be deemed the equivalent of an original signature.

12.6 The Purchaser agrees to enter into a five (5) year lease with the Seller or the new condominium association that the Seller intends to form as Sponsor for Unit No. 4A to be utilized as a superintendents' unit wherein the annual rent for the full five-year term would be no greater than the total of the annual property taxes and the condominium fees and assessments for Unit No. 4A. This provision shall survive closing.

12.7 This Agreement shall be governed and interpreted in accordance with the laws of the State of New York, without reference to its choice of law principles. All actions and proceeding with respect to the interpretation and/or enforcement of this Agreement shall be made in the Courts of the State of New York.

12.8 Any notice required or permitted to be delivered hereunder shall be in writing and either (i) sent by United States Mail as a registered or certified mail with postage prepaid or (ii) deposited with a nationally recognized overnight courier service, charges prepaid, and properly addressed for next-day delivery, addressed as follows:

1. If to Seller:

82-04 LEFFERTS TENANTS CORP
82-04 Lefferts Boulevard
Kew Gardens, New York 11415

With a copy to:

The Hutton Group, Inc.
PO Box 77
Allendale, NJ 07401

2. If to Purchaser:

8336 REALTY, LLC
c/o Auric Real Estate Management LLC
97-07 63rd Road Mgmt. Office
Rego Park, NY 11374.

All notices given in accordance with the terms hereof shall be deemed given on the date sent. Either party may change its address for notice from time to time by delivery of at least three (3) business days prior written notice of such change to the other party hereto in the manner prescribed herein. Notice by either party may be given by such party's attorney.

12.9 **Waiver of Right to Jury Trial. Purchaser and Seller each do hereby knowingly, voluntarily and intentionally waive their right to a trial by jury in respect of any litigation based hereon, or arising out of, or under or in connection with this agreement, the documents delivered by Purchaser at Closing or Seller at Closing, or any course of conduct, course of dealing, statements (whether oral or written) or any actions of either party arising out of or related in any manner with this Agreement or the Property (including without limitation, any action to rescind or cancel this agreement and any claims or defenses asserting that this agreement was fraudulently induced or is otherwise void or voidable).**

12.10 (Omitted).

12.11 Seller and Purchaser hereby designate the Title Company to act as and perform the duties and obligations of "reporting person" with respect to the transaction contemplated by this Agreement for purposes of 26 C.F.R Section 1.6045-4(e)(5) relating to the requirements for information reporting on real estate transaction closed on or after January 1, 1991. In this regard, Seller and Purchaser each agree to execute at Closing, and to cause the Title Company to execute at

Closing a Form 1099-S Statement, designating Title Company as the reporting person with respect to the transaction contemplated by this Agreement.

12.12 The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

12.13 If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never composed a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by such illegal, invalid, or unenforceable provision or by its severance from this Agreement.

12.14 All disputes arising under this Agreement shall be exclusively heard in the New York Courts.

13. NO THIRD PARTY BENEFICIARIES. Purchaser and Seller hereby acknowledge and agree that, except as expressly set forth herein to the contrary, there are no third party beneficiaries to this Agreement, and, accordingly, except as expressly set forth herein to the contrary, no third party (including, without limitation, any broker) shall have the right to enforce this agreement for the benefit of such third party or against the interests of Purchaser or Seller. Either of Seller or Purchaser is hereby authorized to file a copy of this section in any proceeding brought by any such third party against Seller or Purchaser in connection with this Agreement as conclusive evidence of the parties' intentions.

14. TIME OF PERFORMANCE. In the event the provisions of this Agreement provide for the performance of an obligation by Purchaser or Seller on a day other than a business day, then the time for the performance of such obligation shall be automatically adjourned to the first (1st) business day immediately succeeding the day on which such obligation would otherwise be required to be performed. In the event the provisions of this Agreement provide that Purchaser or Seller shall have the right to adjourn the performance of an obligation by Purchaser or Seller, as applicable, to a day that is other than a business day, then Purchaser or Seller, as applicable, shall have the right to adjourn the time for the performance of such obligation to the first (1st) business day immediately succeeding the day on which such adjourned obligation would otherwise be required to be performed. As used herein, the term "business day" means any day other than a Saturday, Sunday, or any day that is a holiday observed by national banks in the State of New Jersey.

15. COUNTERPART EXECUTION; EXECUTION BY EMAIL. This Agreement may be executed in more than one identical counterpart, each of which, when taken together, shall be deemed to be one (1) instrument. Signatures transmitted via email (as a .pdf file) shall be treated as originals for all purposes.

16. LEGAL REPRESENTATION. Each party hereto has been represented by legal counsel in connection with the negotiation of the transactions herein contemplated and the drafting and negotiation of this Agreement. Each party hereto and its counsel has had an opportunity to review and suggest revisions to the language of this Agreement. Accordingly, no provision of this Agreement shall be construed for or against or interpreted to the benefit or disadvantage of any party by reason of any party having or being deemed to have structured or drafted such provision.

17. ATTORNEYS' FEES. If any action, suit, arbitration or other proceeding is instituted by any party to this Agreement for the purpose of interpreting any of the terms hereof or to prevent or remedy a default hereunder by any other party, the prevailing party shall be reimbursed by the non-prevailing party for all of such prevailing party's reasonable attorneys' fees incurred in each and every such action, suit, arbitration or other proceeding, including any and all appeals or petitions therefrom. As used in this paragraph, attorneys' fees shall be deemed to mean the reasonable, actual costs of any legal services actually performed in connection with the matters involved, calculated on the basis of the usual fee charged by the attorney and any paralegals and legal staff performing such service.

18. FURTHER ASSURANCES. Each party hereto agrees that, from and after the Closing, upon the reasonable request of the other party hereto and without further consideration, such party will execute and deliver to such other party such documents and further assurances and will take such other actions (without cost to such party) as such other party may reasonably request in order to carry out the purpose and intention of this Agreement, including, but not limited, to the effective consummation of the transactions contemplated under the provisions of this Agreement. The provisions of this Section 18 shall survive the Closing.

19. CONFIDENTIALITY. The terms and conditions of this Agreed (including the identity of Purchaser) are confidential and are not to be disclosed by Seller to anyone outside Seller other than Seller's legal counsel and other agents and representatives who need to know such information in connection with the acquisition. Subject to the requirements of applicable law, neither Seller nor Purchaser shall make any news release or any public disclosure with respect to the Acquisition without the prior consent of the other party, which consent shall not be unreasonably withheld; provided, however, Purchaser shall be permitted to make any disclosure required by law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Seller and Purchaser have executed and delivered this Agreement as of the date first above written.

SELLER:

82-04 LEFFERTS TENANTS CORP.
a New York corporation

By: _____
Name: CHANDRA DIN
Title: PRESIDENT

PURCHASER:

8336 REALTY, LLC
a New York limited liability company

By: _____
Name: Maurice Peress
Title: Member

EXHIBIT 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 Queens, in the State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the southerly side of Beverly Street with the westerly side of Lefferts Boulevard; RUNNING THENCE southerly along the westerly side of Lefferts Boulevard, 35.77 feet to a point of curve; THENCE southerly still along the westerly side of Lefferts Boulevard on a curve bearing to the left, having a radius of 1008.217 feet, a distance along said curve 97.52 feet; THENCE westerly and parallel with the southerly side of Beverly Street, 108.66 feet; THENCE northerly at right angles to the southerly side of Beverly Street 50 feet; THENCE easterly and parallel with the southerly side of Beverly Street, 55.31 feet; THENCE northerly at right angles to the southerly side of Beverly Street, 80 feet to the southerly side of Beverly Street; THENCE easterly along the southerly side of Beverly Street, 82.46 feet to the corner at the point or place of BEGINNING.

Specifically, the shares attributable to the following commercial and residential untis therein:

Unit	Shares	Type Size
Comm A	1,139	Retail
Comm B	1,159	Retail
Comm C	1,538	Retail
Comm D	1,031	Retail
4A	654	1 Bdrm/1 Bth

Said premises known as: 82-04 Lefferts Boulevard, Kew Gardens, New York.

TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS AMENDMENT TO THE AGREEMENT dated 20th day of May 2021 by and between 82-04 Lefferts Tenants Corp. ("Seller") a New York corporation and 8336 Realty LLC, a New York limited liability company ("Purchaser").

RECITALS

A. On September 23, 2019, the Seller and Purchaser entered into a contract for the purchase and sale of the shares allocated to the four (4) retail spaces on the ground floor of the property owned by the Seller in a cooperative premise commonly known as 82-04 Lefferts Boulevard, Kew Gardens, New York totaling approximately 5,320 square feet and the residential Unit No. 4A ("Units")

B. The parties now wish to amend said Agreement.

WITNESSETH

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

Section 4.1 is modified so to be replaced with the following:

4.1 Closing Date. Subject to the terms and conditions hereof including, without limitation, Section 5.1 hereof, the closing ("Closing") of the purchase and sale of the Units shall occur within thirty (30) days of the recording of the declaration for the new condominium related to the Conversion as defined in Section 3.1 therein.

IN WITNESS WHEREOF, the parties have signed and sealed this Agreement on the day and year first above written.

SELLER

82-04 LEFFERTS TENANTS CORP.
A New York corporation

BY: _____
Chandra Jain, President

PURCHASER

8336 REALTY, LLC
A New York limited liability company

BY: _____
Maurice Peress, Managing Member

AURIC
REAL ESTATE MANAGEMENT, LLC

MANAGEMENT ADDITIONAL DISCLOSURE REGARDING

THE ATTACHED FINANCIAL REPORT FOR YEAR ENDING 2019

The following disclosure should be read alongside the Auditor's Report, Financial Statements and the Notes for the 2019 calendar year for:

82-04 LEFFERTS TENANTS CORP.

One of the requirements for the conversion of the Property from a cooperative to a condominium is that an offering plan for such conversion must be accepted for filing by the Office of the NYS Attorney General. As of the date of Auditor's report, and financial statements, that being May 1, 2020, an offering plan has been submitted to the Office of the NYS Attorney General. The plan is still pending review and has not as yet been accepted for filing.

82-04 LEFFERTS TENANTS CORP.

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MICHAEL A. ROZYCKI, CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANT

629 FIFTH AVENUE, SUITE 109
PELHAM, NY 10803
Phone 914.654.0663
Fax 914.654.0936

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

Report on the Financial Statements

I have audited the accompanying financial statements of 82-04 LEFFERTS TENANTS CORP., which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 82-04 LEFFERTS TENANTS CORP as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

The Corporation has not presented supplementary information about future major repairs and replacements to common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this omitted information.

Michael A Rozycki, CPA PLLC

Pelham, New York
May 1, 2010

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash, operating account	$ 2,610	$ 6,970
Cash, reserve accounts	96,243	95,993
Escrow for property taxes	48,845	4,430
Receivables from tenant-shareholders	2,077	1,698
Prepaid expenses:		
Unexpired insurance premiums	6,228	7,022
Prepaid real estate taxes	1,633	46,960
Service contracts	488	1,365
Total current assets	158,124	164,438
Property and equipment, at cost:		
Land	500,000	500,000
Building	2,623,100	2,623,100
Building improvements and equipment	972,292	916,485
	4,095,392	4,039,585
Less accumulated depreciation	2,921,722	2,885,622
Net property and equipment	1,173,670	1,153,963
Total assets	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 67,843	$ 58,966
Accrued mortgage interest	3,314	3,357
Maintenance revenue received in advance	1,266	1,744
Mortgage note payable, due within one year	1,037,328	13,516
Property tax abatements payable	6,926	9,450
Total current liabilities	1,116,677	87,033
Other liabilities:		
Refundable security deposits	6,700	6,700
Mortgage note payable, net of unamortized mortgage costs of $0 and $10,176 in 2019 and 2018, respectively	-	1,027,152
Total liabilities	1,123,377	1,120,885
Commitments and Contingencies - Note 6		
STOCKHOLDERS' EQUITY		
Common stock, 30,000 shares of $1.00 par value authorized, 25,881 shares issued and outstanding	25,881	25,881
Capital in excess of par value	2,561,219	2,561,219
Accumulated deficit	(2,378,683)	(2,389,584)
Total stockholders' equity	208,417	197,516
Total liabilities and stockholders' equity	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF OPERATIONS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Revenues:		
Maintenance charges	$ 339,425	$ 339,425
Rental income	145,159	164,389
Special assessments	45,292	5,176
Late fees and other income	5,466	10,586
Interest income, NCB patronage dividend	250	245
Total revenues	535,592	519,821
Expenses:		
Salaries and related costs	16,463	14,396
Electricity and gas	16,680	14,616
Heat	31,423	31,438
Water and sewer	33,967	36,204
Repairs, maintenance and supplies	46,361	71,273
Insurance	35,591	34,731
Management fee	23,766	22,852
Legal fees, tax certiorari	6,025	5,518
Professional fees	7,923	14,685
Debt servicing costs	49,428	50,854
Real estate taxes	208,148	197,278
Corporation taxes	2,443	2,280
Administrative	6,728	8,050
Telephone and communications	2,356	2,176
Other operating, permits and fees	1,289	1,103
Total expenses	488,591	507,454
Income from operations before depreciation expense	47,001	12,367
Depreciation expense	(36,100)	(33,486)
Net income (loss) for the year	$ 10,901	(21,119)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 2019 and 2018

	2019	2018
Common Stock		
Balance, beginning of year	$ 25,881	$ 25,881
Transactions during the year	-	-
Balance, end of year	$ 25,881	$ 25,881
Additional Paid-In Capital		
Balance, beginning of year	$ 2,561,219	$ 2,561,219
Transactions during the year	-	-
Balance, end of year	$ 2,561,219	$ 2,561,219
Accumulated Deficit		
Balance, beginning of year	$ (2,389,584)	$ (2,368,465)
Net income (loss) for the year	10,901	(21,119)
Balance, end of year	$ (2,378,683)	$ (2,389,584)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CASH FLOWS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Net income (loss) for the year	$ 10,901	$ (21,119)
Adjustments to reconcile net income (loss) for the year to net cash provided by operating activities:		
Depreciation and amortization	46,276	44,588
(Increase) decrease in assets:		
Escrow for property taxes	(44,415)	(2,679)
Receivables from tenant-shareholders	(379)	53
Other receivables	-	8,076
Unexpired insurance premiums	794	(179)
Prepaid real estate taxes	45,327	(1,998)
Prepaid expenses	877	1,377
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	8,834	24,367
Maintenance revenue received in advance	(478)	1,715
Property tax abatements payable	(2,524)	1,073
Refundable security deposits	-	700
Net Cash Provided By Operating Activities	65,213	55,974
Cash Flows From Investing Activities		
Additions to building improvements	(55,807)	(36,242)
Net Cash Used In Investing Activities	(55,807)	(36,242)
Cash Flows From Financing Activities		
Mortgage principal payments	(13,516)	(13,018)
Net Cash Used In Financing Activities	(13,516)	(13,018)
Net increase (decrease) in cash	(4,110)	6,714
Cash, beginning of year	102,963	96,249
Cash, end of year	$ 98,853	$ 102,963

Supplementary Cash Flow Disclosure

Cash used during the year for:

Interest	$ 39,295	$ 39,793
Corporation franchise taxes	$ 2,248	$ 1,666

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Organization

82-04 LEFFERTS TENANTS CORP. is a qualified cooperative housing corporation organized under Section 216(b)(1) of the Internal Revenue Code. The cooperative was formed in July 1980 to operate and maintain the common property located at 82-04 Lefferts Boulevard, Kew Gardens, New York. The building is comprised of 40 residential apartments, 4 stores and 13 garage parking spaces.

2. Summary of Significant Accounting Policies

Basis of Presentation - The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as detailed in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Corporation has determined that it meets the definition of a Common Interest Realty Association (CIRA) for accounting purposes and therefore follows the CIRA accounting guidance in ASC 972.

Use of Estimates - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments - Financial instruments include cash and cash equivalents, accounts receivable, other assets, accounts payable and accrued expenses, mortgage notes payable, credit lines payable and other liabilities. The recorded values of cash and cash equivalents, accounts receivable and accounts payable and accrued expenses approximate their fair values based on their short-term nature. The recorded values of debt approximate their fair values as interest approximates market rates.

Cash Equivalents - For purposes of the statement of cash flows, the Corporation considers all highly liquid investments available for current use with original maturities of three months or less to be cash equivalent.

Accounts Receivable - Amounts due from tenant-shareholders are deemed fully collectible by the Corporation. It is the Corporation's policy to retain legal counsel and place liens against tenant-shareholders whose maintenance charges and assessments are in arrears after all reasonable collection methods are exhausted. Accordingly, no amount has been established as an allowance for uncollectible accounts.

Depreciation - Building and building improvements are stated at cost. The building and improvements are depreciated over their estimated useful lives using the straight-line method. Expenditures for repairs and maintenance are expensed to operations as incurred.

Revenue Recognition - Tenant-shareholders are subject to monthly maintenance charges based on an annual budget determined by the Board of Directors to provide funds for the Corporation's operating expenses and repairs and replacements to the common property. Any excess operating funds at year-end are retained by the Corporation for use in future years. Maintenance charge revenue is recognized as income in the period earned and is reported at estimated net realizable amounts. Payments received in advance are deferred until earned.

Income Taxes -The Corporation is subject to Federal income tax as a cooperative association pursuant to Subchapter T of the Internal Revenue Code. The Corporation is also subject to New York State franchise and New York City general corporation tax at prevailing tax rates and methods. The Corporation's tax filings are subject to audit by various taxing authorities for the years 2016 through 2019. In evaluating the Corporation's tax provisions and accruals, the Corporation believes that its estimates are appropriate based on current facts and circumstances.

The Corporation has incurred cumulative net operating losses for tax purposes which are available to be carried forward to future tax periods. It is not likely that the Corporation will benefit from any deferred tax benefits resulting from prior losses and accordingly no deferred tax assets have been recognized. The Corporation has available cumulative net operating losses of $720,929 expiring at various times through 2034.

The Corporation has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740 - *Accounting for Uncertainty in Income Taxes*. The Corporation will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authorities. The Corporation continually evaluates changes in the tax law and new authoritative rulings. At present, there are no uncertain tax positions recorded that would have a material impact on the financial statements.

Long Term Debt and Debt Issuance Costs - In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "Interest - Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs" (ASU 2015-03), which resulted in the reclassification of debt issuance costs from other assets ("Unamortized mortgage costs") to inclusion as a reduction of reportable long-term debt ("Mortgage note payable") on our balance sheet.

82-04 LEFFERTS TENANTS CORP.
NOTES TO FINANCIAL STATEMENTS

3. Mortgage Note Payable, Subsequent Event and Related Party Transaction

On December 1, 2014 the Corporation refinanced its existing mortgage note with a new first mortgage payable to National Cooperative Bank ("NCB", the "Lender") in the amount of $1,100,000. The mortgage note required constant monthly payments of $4,400 applied to interest at the rate of 3.71% with the remainder to the reduction of principal pursuant to a 40-year amortization schedule. The note was for a term of five years maturing December 1, 2019. Due to unexpected delays by the Office of the Attorney General in approving the Corporation's conversion to condominium ownership (see Note 6), the Corporation obtained a 3-month extension from NCB to February 28, 2020 to repay the mortgage note. NCB would not extend the loan further.

In February 2020, the Corporation secured funding sufficient to retire the NCB mortgage by issuing promissory notes totaling $1,100,000 to two individuals related to a member of the Corporation's Board of Directors in an arms-length transaction. The promissory notes require cumulative monthly payments of $4,125 applied to interest only at the rate of $4.50% per annum. Interest payments shall be made on the 27th of each month with 10 days grace period. If payment is not received by the 7th day of the following month, a 2% late fee shall apply. The promissory notes mature on August 27, 2020, at which time the entire unpaid principal balance, together with accrued interest thereon, becomes due and payable. The Corporation has an option to request a 3-month extension if needed.

In connection with its 2014 refinancing transaction, the Corporation incurred fees totaling $55,510 that were amortized over the five-year term of the mortgage note. Unamortized debt issuance costs (included as a reduction of long-term debt per ASU 2015-03) at December 31, 2019 and 2018 were $0 and $10,176, respectively. Amortization of debt issuance costs is reported together with interest expense in the income statement as Debt Servicing Costs. Interest expense for the years ending December 31, 2019 and 2018 was $39,252 and $39,752, respectively.

The cooperative apartment building and land at 82-04 Lefferts Boulevard, Kew Gardens Hills, New York are pledged as collateral for the mortgage and promissory notes.

4. Funding for Future Major Repairs and Replacements

The Corporation has not conducted a comprehensive study to determine the remaining useful lives of all the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The Board of Directors reviews the condition of various building systems on a periodic basis and intends to repair or replace elements of the common property as the need arises.

The Corporation's governing documents do not require the accumulation of separate funds to finance future major repairs and replacements. The Corporation has established cash reserves that it may draw on to provide funding for future capital expenditures. When additional funds are needed to meet future needs for major repairs and replacements, the Corporation has the right to increase regular maintenance, authorize special assessments, borrow, or delay non-essential major repairs and replacements until funds are available. The effect on future maintenance assessments has not been determined at this time.

5. Real Estate Tax Abatements

During June 2015, the New York State Legislature extended the real estate tax abatement program for cooperatives and condominiums in New York City, with modifications, to June 30, 2019. The modifications served to restrict abatements to apartment owners who use at least one apartment in the building as their primary residence. Abatements for apartment owners who did not meet the qualifications for primary residence were phased-out through the period ending June 2015. These owners include units that are held solely by a trust and possibly those units held by limited liability companies, corporations and partnerships. During 2019, the State Legislature extended the program through June 30, 2021.

82-04 LEFFERTS TENANTS CORP.
NOTES TO FINANCIAL STATEMENTS

6. Commitments and Contingencies

The Corporation is involved in various matters of litigation arising in the ordinary course of business. When appropriate, claims are submitted to the Corporation's insurance carrier. The Corporation's legal counsel believes that the Corporation has adequate insurance coverage for all pending lawsuits.

In November 2019, a special meeting of shareholders was called to vote on a resolution to convert the cooperative housing Corporation property to a condominium association. The resolution was approved by the required majority of shareholders.

7. Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through May 1, 2020, the date the financial statements were first available to be issued.

SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

I have audited the financial statements of 82-04 LEFFERTS TENANTS CORP. as of and for the years ended December 31, 2019 and 2018, and have issued a report thereon dated May 1, 2020 which contained an unmodified opinion on those financial statements. My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Capital Improvements and Repairs and Maintenance are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of the Board of Directors and management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects to the financial statements as a whole.

Pelham, New York
May 1, 2020

Michael A. Rozycki, CPA, PLLC

82-04 LEFFERTS TENANTS CORP.

SCHEDULE OF CAPITAL IMPROVEMENTS, REPAIRS AND MAINTENANCE

For the Years Ended December 31, 2019 and 2018

	2019	2018
Capital Improvements		
Replace boiler tubes	$ 13,797	$ 5,144
Rennovation of commercial space	1,104	18,900
New door and windows	13,979	-
Waterproofing project	9,700	-
Intercom system upgrade	8,476	-
new hot & cold water valves	5,003	-
Elevator door lock monitoring system compliance	3,748	-
Lintel repair	-	9,100
Cutter pump	-	3,098
Totals	$ 55,807	$ 36,242
Repairs and Maintenance		
Plumbing and heating	$ 13,302	$ 32,766
Elevator maintenance, inspection, testing and repair	6,940	10,271
Painting, plastering, carpentry, glazing	4,305	3,563
Doors, locks and windows	5,419	2,407
Supplies and materials	7,240	7,771
Exterminating	2,835	2,675
Intercom and electrical	3,452	4,909
Sprinkler maintenance	2,286	2,286
Exterior repairs	-	4,500
Equipment repairs		-
Other	582	125
Totals	$ 46,361	$ 71,273

SCHEDULE O

AMENDMENT NO. 16

To The Offering Plan of

82-04 LEFFERTS TENANTS CORP.

82-04 Lefferts Boulevard
Kew Gardens, New York 11415

Dated: December 17, 2020

The Offering Plan dated August 10, 1984, as amended by the First through Fifteen Amendments, is hereby further amended as follows:

I. SPECIAL RISK – PROPOSED CONVERSION OF THE PROPERY FROM A COOPERATIVE TO A CONDOMINIUM AND ALLOCATION OF SHARES TO FOUR (4) COMMERCIAL SPACES AND RESIDENTIAL UNIT 4A FOR SALE

The cooperative desires to convert to a condominium and has commenced the process with a submission to the NYS Attorney General. The offering plan for the property's conversion from a cooperative to Condominium, to be known as "The Beverly Condominium", is still pending, under Department of Law, file number CD18-0398, and has not yet been accepted by the Office of the NYS Attorney General. There is no guarantee that it will be accepted by the Office of the NYS Attorney General, and as such, Purchasers should consult with their attorneys regarding the risks associated with purchasing in this building.

The Cooperative Corporation contains four (4) Commercial Spaces which are currently leased to tenants for commercial use. Additionally, the Cooperative contains a Superintendent apartment, 4A. In establishing the Cooperative, no shares were allocated these Commercial Spaces or the superintendent apartment.

The Cooperative's Certificate of Incorporation was amended to increase the aggregate number of shares which the Corporation shall have the authority to issue to thirty-five thousand (35,000) shares at the par value of One Dollar ($1.00) each, designated as common stock. total number of authorized shares is 35,000. The actual total number of existing shares and new shares is 31,402.

Pursuant to Article V, Section 3 of the current Bylaws of the Cooperative, entitled " Allocation of Shares", the allocation of the new shares occurred November 15, 2019 as follows: 2) the allocation of a total number of 5,521 shares to four (4) Commercial Spaces (Commercial Spaces A, B, C and D) and Apartment 4A as set forth in the following table:

Unit No.	Shares	Square Feet	Bdrm & Baths	% of Shares in Co-op
Comm A	1,139	1,217	Retail	3.627%
Comm B	1,159	1,240	Retail	3.691%

Comm C	1,538	1,642	Retail	4.898%
Comm D	1,031	1,100	Retail	3.283%
4A	654	781	Apartment	2.083%
Total	**5,521**	**5,980**		**17.582%**

The Board of Directors have engaged The Hutton Group, a cooperative to condominium advisor, to assist in the conversion process. Neither Hutton nor any officer or employee of Hutton, including Jack Boyajian, are at all affiliated with Holder of Unsold Shares (defined herein below), co-Holder (defined herein below in paragraph III) or any principals thereof. Hutton has no financial interest in the property, the Holder of Unsold Shares, co-Holder or any party involved in this transaction.

The foregoing share allocation is subject to further review by the Department of Law in its review of the pending Offering Plan.

II. SPECIAL RISK - SUPERINTENDENT

Currently, Unit 4A is common area that is occupied by the Superintendent.

It is a special risk that if and when (i) the offering plan currently under review at the Department of Law is accepted for filing, and (ii) the cooperative is converted to a Condominium pursuant to the terms of the offering plan, it is anticipated that the Condominium will rent Unit 4A for the Superintendent's living quarters. The monthly rent that the Condo will pay will be equal to the monthly common charges plus the monthly projected property taxes for Unit 4A. It is anticipated that the Condominium shall make arrangements with the purchaser of Unit 4A to lease such Unit for the next five (5) years as part of the package sale of the Commercial Units and Unit 4A to fund the conversion plan. It is anticipated that purchaser shall agree to lease back Unit 4A to the Condominium as the Superintendents' Unit at a substantially reduced rent with the maximum monthly rental rate equally no more than the sum of the monthly Condominium fees and estimated property taxes for the Units. The amount is projected to be $9,500.00 per year and it is anticipated to be included in the Condominium's First Year Annual Budget as an operating expense. See Exhibit C.

In the event the Condominium fails to lease back Unit 4A or other Unit in the Condominium, the Condominium will purchase or rent a Unit within 200 feet of the Condominium for the full-time Superintendent.

All of the forgoing disclosure regarding the Superintendent's Apartment in connection with the conversion of the property from a cooperative to a condominium is subject to further review by the Department of Law in its review of the pending offering plan.

If the conversion of the property from a cooperative to Condominium does not occur, Unit 4A will be owned by the Purchaser who will rent the unit to the Cooperative for occupancy by the Superintendent. The monthly rent that the Cooperative will pay will be equal to the co-op maintenance fee for Unit 4A that will be charged to the Purchaser.

III. DEFINITIONS/IDENTITY OF THE PARTIES

"Holder of Unsold Shares" and "Co-Holder of Unsold Shares" shall mean the Co-Sponsor or any successor in interest to such Co-Sponsor who does not occupy the Unit for use and occupancy by himself or a member of his immediate family and who has registered as a broker-dealer with the Investor Protection Bureau of the State of New York.

"Sponsor" shall refer to 82-04 Lefferts Tenants Corp., a New York cooperative apartment corporation legally incorporated and validly existing under the laws of New York, and its successors and/or assigns, all of which are collectively referred to as "Sponsor", with an address at c/o Auric Real Estate Management LLC, 97-07 63rd Road, Mgmt Office Rego Park, NY 11374.

"Co-Sponsor" shall refer to 8336 Realty, LLC, a New York limited liability company and MDCM, LLC, a New York limited liability company, legally formed and validly existing under the laws of New York, and their respective successors and/or assigns, all of which are collectively referred to as "Co-Sponsors" and individually as "Co-Sponsor", with address at 83-36 Beverly Road, Apt. #2C Kew Gardens, NY 11415.

"Holders of Unsold Shares" and "Sponsors", when used herein, shall also include Co-Holder(s) of Unsold Shares and Co-Sponsor(s), respectively, as defined above herein.

The Principals of Co-Sponsor 8336 Realty, LLC are Maurice Peress residing at 714 Sprague Ave., Franklin Square NY, Chandra Kant Jain residing at 8336 Beverly Rd., 2C, Kew Gardens NY and Nancy Henigson residing at 4 Norfolk Rd., Great Neck NY.

The Principals of Co-Sponsor MDCM, LLC are Maurice Peress residing at 714 Sprague Ave., Franklin Square NY and Chandra Kant Jain residing at 8336 Beverly Rd., 2C, Kew Gardens NY.

Maurice Peress, Chandra Kant Jain and Nancy Henigson are members of Co-Sponsor 8336 Realty, LLC, and Maurice Peress and Chandra Kant Jain are members of Co-Sponsor MDCM, LLC. All of these members above principals for Sponsor and Co-Sponsors have no affiliation with the Hutton Group.

Neither the Sponsor, nor the Principals of the Sponsor, have not been involved in any prior public offerings in the past five (5) years nor does Sponsor, or the Principals of the Sponsor, own ten (10%) percent or more of any unsold units in any other condominium, homeowners association or cooperative in the State of New York.

Neither the Sponsor nor the Principals of the Sponsor have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

IV. UNSOLD APARTMENTS

As of August 1, 2020, there are a total of twenty-three (23) unsold residential apartments and eleven (11) unsold Garage Spaces ("Unsold Apartments"). Annexed hereto as Exhibit "A" is a list of the future Unsold Units broken out by Holder of Unsold Shares and which includes their respective share allocation. The four (4) Commercial Spaces and Apartment 4A, which are under contract to be purchased by the Holder of Unsold Shares are included in the list.

V. AGGREGATE MONTHLY MAINTENANCE

The aggregate monthly maintenance the Holders of Unsold Shares are obligated to pay is $ 23,192.10. (See Exhibit "A")

VI. AGGREGATE MONTHLY RENTS RECEIVED FROM TENANTS BY THE HOLDER OF UNSOLD SHARES

The projected aggregate monthly rents received from tenants of all Unsold Units owned by the Holders of Unsold Shares is $ 48,670.95.

VII. FINANCIAL OBLIGATIONS TO COOPERATIVE

The Holder of Unsold Shares has no financial obligations to the Cooperative, which will become due within the next twelve (12) months, other than payment of maintenance to the Cooperative.

VIII. UNSOLD SHARES SUBJECT TO MORTGAGES OR FINANCING COMMITMENTS.

The Holder of Unsold Shares has a current interest only loan at 4.0% (prevailing rate) that is collateralized by the Unsold Units. The principal balance of the loan is $1,037,328. The monthly payments of principal and interest total $7,607.07. The Cooperative Debt, in this case a promissory note on the Building, in the amount of $1,100,000 ("Cooperative Debt"), is with Mr. & Mrs. Harvey Bookman for $800,000 and Heidi Bookman for $300,000 ("Private Lenders") who are acquaintances of Chandra Jain, a Holder of Unsold Shares Representative and Board Member. The promissory notes matured on August 27, 2020, at which time the Corporation received a 3-month extension.

The proceeds of the sale of shares of commercial units and unit 4a (after acceptance of the within amendment) will be used to pay off the cooperative debt.

The cooperative has also received a proposal from National Cooperative Bank ("NCB"), located at 250 Park Avenue, Suite 900, New York, New York 10177, to finance the debt as a $1,100,000 first mortgage line of credit. The loan term would

be 5 years at a floating interest rate at the NCB Prime Bank Rate, plus a spread of 0.50% with a 4.50% floor. Amortization would be interest only plus a minimum of $250 of principal per month. Annexed hereto as Exhibit "B" is the proposed term sheet from NCB.

IX. MEANS OF THE HOLDER OF UNSOLD SHARES OBLIGATIONS

The monthly obligations required of the Holder of Unsold Shares above will be paid from rental income, continued sales and the Holder of Unsold Shares capital, which combined is currently sufficient to meet the Holder of Unsold Shares obligations.

X. STATUS OF CURRENT OBLIGATIONS OF THE HOLDER OF UNSOLD SHARES

The Holders of Unsold Shares and Sponsors are current with all financial obligations under the Cooperative Offering Plan and have been current since the closing of the first Apartment.

XI. LIST AND STATUS OF THE HOLDER OF UNSOLD SHARES OTHER PUBLIC OFFERINGS

The Holders of Unsold Shares and Sponsors currently do not own more than ten (10%) percent of the shares or Units in any other cooperative, condominium or homeowner's association.

XII. BOARD OF DIRECTORS OF THE COOPERATIVE

Neither the Holders of Unsold Shares nor Sponsor control Board of Directors, having relinquished control of same in June of 1987. The current members of the Board of Directors are as follows:

Chandra Jain, Holder of Unsold Shares Representative
Maurice Peress, Holder of Unsold Shares Representative
Catherine A. Hoffman, Shareholder
Nancy Henigson, Shareholder
** Sharon Jain, Shareholder

** Sharon Jain is the spouse of Chandra Jain; Sharon was voted in with Chandra Jain being recused from such vote.

XIII. BUDGET/FINANCIAL STATEMENT

The Cooperative Budget is annexed hereto as Exhibit "C". The audited December 2019 and 2018 financial statements for the Cooperative, which indicate an accumulated deficit in 2019 of $2,378,683, and in 2018 of $2,389,584, as provided by the Board of Directors, are annexed hereto as Exhibit "D".

XIV. SPECIAL RISK

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to homeownership. Accordingly, the tax information and projections disclosed in this offering plan may be inaccurate because such are based on federal tax law as it existed prior to 2018. Purchasers are advised to consult with a tax expert regarding whether the new law will affect the purchaser's taxes. Purchasers should not rely on any representations in this offering plan addressing taxes without first consulting a tax expert.

XV. ATTORNEY/ESCROW AGENT

Anthony J. Ficara, Esq. has joined the law firm of Moritt Hock & Hamroff LLP, 1407 Broadway 39th Floor, New York, NY 10018, Telephone No.: (212) 239-2000 ("MHH"). As such, MHH will represent the Sponsor and Holder of Unsold Shares for the purpose of the preparation of this Amendment.

XV. EXTENSION

This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing; and thereafter, said date is to be extended in a further Amendment to be filed.

Other than as set forth above, there are no material changes, which require an amendment to the Offering Plan.

Sponsor

82-04 LEFFERTS TENANTS CORP.

8336 Realty, LLC
Holder of Unsold Shares

MDCM, LLC
Holder of Unsold Shares

EXHIBIT A

82-04 LEFFERTS TENANTS CORP.
SCHEDULE OF UNSOLD UNITS

Unit	Holder of Unsold Shares/Units	Rent Controlled or Rent Regulated	Shares	Square Feet	Bdrm & Baths	% of Shares in Co-op	Current Rent	Current (Future) Co-op Fees
Comm A	8336 Realty, LLC		1,139	1,217	Retail	3.627%	4,001.92	1,411.35
Comm B	8336 Realty, LLC		1,159	1,240	Retail	3.691%	3,278.33	1,436.14
Comm C	8336 Realty, LLC		1,538	1,642	Retail	4.898%	4,967.16	1,905.76
Comm D	8336 Realty, LLC		1,031	1,100	Retail	3.283%	VACANT	1,277.53
2D	8336 Realty, LLC	X	695	849	1 Bdrm/1 Bth	2.213%	928.16	759.57
2E	8336 Realty, LLC		633	830	1 Bdrm/1 Bth	2.016%	1,750.00	691.81
2F	8336 Realty, LLC		610	745	1 Bdrm/1 Bth	1.943%	1,750.00	666.67
3B	8336 Realty, LLC		463	503	Studio	1.474%	1,250.00	506.01
3D	MDCM, LLC		700	849	1 Bdrm/1 Bth	2.229%	1,550.00	765.03
3E	8336 Realty, LLC		640	830	1 Bdrm/1 Bth	2.038%	1,750.00	699.46
3F	8336 Realty, LLC		617	745	1 Bdrm/1 Bth	1.965%	1,725.00	674.32
3G	8336 Realty, LLC		602	806	1 Bdrm/1 Bth	1.917%	1,725.00	657.93
3H	8336 Realty, LLC		694	847	1 Bdrm/1 Bth	2.210%	VACANT	758.47
4A	8336 Realty, LLC		654	781	1 Bdrm/1 Bth	2.083%	810.38	810.38
4D	MDCM, LLC		710	849	1 Bdrm/1 Bth	2.261%	1,650.00	775.96
4E	8336 Realty, LLC		647	830	1 Bdrm/1 Bth	2.060%	1,675.00	707.11
4H	8336 Realty, LLC		701	847	1 Bdrm/1 Bth	2.232%	1,725.00	766.12
5A	8336 Realty, LLC		660	781	1 Bdrm/1 Bth	2.102%	1,600.00	721.31
5B	8336 Realty, LLC		494	503	Studio	1.573%	1,250.00	539.89
5C	MDCM, LLC		756	1,096	2 Bdrm/1 Bth	2.407%	1,950.00	826.23
5H	MDCM, LLC		707	847	1 Bdrm/1 Bth	2.251%	1,375.00	772.68
6A	8336 Realty, LLC		668	781	1 Bdrm/1 Bth	2.127%	1,600.00	730.06
6C	8336 Realty, LLC		762	1,096	2 Bdrm/1 Bth	2.427%	1,975.00	832.79
6D	8336 Realty, LLC		722	849	1 Bdrm/1 Bth	2.299%	1,600.00	789.07
6E	8336 Realty, LLC		660	830	1 Bdrm/1 Bth	2.102%	1,700.00	721.31
6F	8336 Realty, LLC		637	745	1 Bdrm/1 Bth	2.029%	1,600.00	696.18
6G	8336 Realty, LLC		633	806	1 Bdrm/1 Bth	2.016%	1,600.00	691.81
Gar1	MDCM, LLC		50			0.159%	200.00	54.65
Gar2	MDCM, LLC		50			0.159%	150.00	54.65
Gar4	MDCM, LLC		50			0.159%	180.00	54.65
Gar5	MDCM, LLC		50			0.159%	225.00	54.65
Gar6	MDCM, LLC		50			0.159%	185.00	54.65
Gar8	MDCM, LLC		50			0.159%	195.00	54.65
Gar9	MDCM, LLC		50			0.159%	195.00	54.65
Gar10	MDCM, LLC		50			0.159%	185.00	54.65
Gar11	MDCM, LLC		50			0.159%	VACANT	54.65
Gar12	MDCM, LLC		50			0.159%	185.00	54.65
Gar13	MDCM, LLC		50			0.159%	185.00	54.65
Total			**20,482**			**65.225%**	**48,670.95**	**23,192.10**

EXHIBIT B

ncb
National Cooperative Bank

250 Park Avenue
Suite 900
New York, New York 10177
Tel (212) 808-0880
Fax (212) 808-4396

September 24, 2020

To: Drew De Risi

From: Harley Seligman

Re: 82-04 Lefferts Blvd – $1,100,000 First Mortgage Line of Credit

Pursuant to your request, I'd like to describe NCB's lending proposal for your co-op. To finance a $1,100,000 first mortgage line of credit, NCB offers the following;

Non Revolving - Line of Credit

Loan Term:	5 years
Rate:	Floating interest rate at the NCB Prime Bank Rate (3.25% today) plus a spread of 0.50% with a 4.50% floor. Today's rate would be 4.50%
Amortization:	interest only plus a minimum of $250 of principal per month
Payments:	$4,432 based on today's rate
Immediate Drawdown:	Entire loan amount shall be drawn down at closing
Prepayment:	Allowed anytime without penalty in whole or in part
Fees –	
Application:	$8,000 - for appraisal, asbestos, environmental and engineering reports. – due at application
Commitment:	1.50% of loan amount – paid at closing
NCB Legal:	$7,500 plus disbursements and litigation search plus
Legal Deposit:	2% of loan amount – due at commitment acceptance – **refundable at closing**

These terms and conditions are subject to NCB's credit approval process. Enclosed for your use is the loan application. Formal processing begins upon receipt of the completed application, application fee and the documentation.

If you are interested in working with us on a proposal, please submit the following:

1. NCB Application
2. application fee
3. cover page and schedule A from offering plan
4. 2017, 2018, and 2019 financial statements and 2020 year-to-date income and expense
5. 2020 budget and 2021 budget if available
6. current maintenance roll showing all shareholders – unit number, shareholder, monthly maintenance
7. list of arrears
8*. identify units having unsold share status and provide **maintenance vs. rents** for each
9. identify number of sublets. Also provide copy of sublet policy
10. resales for the past 2 years – unit, date, price
11. list capital improvements – last 5 years
12. list anticipated capital improvements
13. statement of current cash reserves
14. name, address and telephone number of co-op's attorney
15. copies of commercial and operating leases
16. current payables
17. building insurance contact information
18. managing agent information: a. year company formed b. number of buildings managed c. number of units d. number of employees

* Regarding unsold units:

a) identify sponsor (entity and principals)
b) is sponsor current on their financial obligations to the co-op
c) are the shares encumbered. If yes, provide details

If you have any questions, please do not hesitate to call me.
I look forward to working with you to help the co-op meet its financing needs.

Sincerely,

Harley Seligman
Senior Vice President

EXHIBIT C

Co-Op Budget for 82-04 Lefferts Tenants Corp. 2020 Budget June 17, 2020	
	2020 BUDGET
INCOME	
OPERATING INCOME	$ 513,569.00
OTHER INCOME	$ 7,000.00
TOTAL INCOME	$ 520,569.00
DISBURSEMENTS	
PAYROLL & RELATED COSTS	$ 19,308.47
UTILITIES	$ 84,897.21
INSURANCE & TAXES	$ 260,301.52
PROFESSIONAL	$ 39,300.00
FINANCIAL	$ 49,500.00
R & M and SUPPLIES	$ 50,100.00
ADMINISTRATIVE	$ 8,850.00
FINANCIAL	
TOTAL DISBURSEMENTS	$ 512,257.20
NET INCOME	$ 8,311.80

INCOME	
OPERATING INCOME	
Maintenance	$ 339,425.00
Assessment	$ 27,175.00
Commercial Rent	$ 146,969.00
TOTAL OPERATING INCOME	$ 513,569.00
OTHER INCOME	
Late Fees	$ 250.00
Administrative & Other Fees	$ 6,500.00
Patronage dividend	$ 250.00
TOTAL OTHER INCOME	$ 7,000.00
TOTAL INCOME	$ 520,569.00
DISBURSEMENTS	
PAYROLL & RELATED COSTS	
Gross Payroll	$ 12,200.00
Payroll Taxes	$ 4,236.08
W/C & Disability	$ 2,872.38
TOT PAYROLL & RELATED COSTS	$ 19,308.47
UTILITIES	
Electric & Gas	$ 17,180.40
Fuel	$ 32,051.46
Water & Sewer	$ 35,665.35
Cable / Internet	
TOTAL UTILITIES	$ 84,897.21
INSURANCE & TAXES	
Corporate Taxes	$ 2,650.00
Real Estate Taxes	$ 220,636.88
Insurance	$ 37,014.64
TOTAL INSURANCE AND TAXES	$ 260,301.52

PROFESSIONAL		
Accounting	$	8,000.00
Other Professional	$	3,500.00
Legal &Tax Certiorari	$	3,300.00
Management	$	24,500.00
TOTAL PROFESSIONAL	$	39,300.00
R & M and SUPPLIES		
Cleaning Other	$	500.00
Exterminator	$	2,000.00
Water Treatment	$	600.00
Contract - Fire Protection	$	2,400.00
Compactor / Chute	$	1,200.00
Elevator	$	6,450.00
Electrical	$	1,000.00
Intercom	$	500.00
Security Equipment	$	750.00
Apartment Repair	$	3,200.00
Hallway / Lobby	$	1,000.00
Painting & Plastering	$	2,500.00
Plumbing	$	6,500.00
Pumps & Motors	$	2,500.00
Building Supplies	$	4,500.00
Boiler / Burner	$	6,000.00
Garage Maintenance	$	1,000.00
Windows/Doors/Locks	$	500.00
Façade / Roof Repair	$	5,000.00
Landscaping	$	500.00
General Repairs	$	1,500.00
TOTAL R & M and SUPPLIES	$	50,100.00

ADMINISTRATIVE		
Dues	$ 250.00	
Payroll Fees / Other Payroll	$ 2,500.00	
Bank Fees	$ 350.00	
Telephone	$ 600.00	
Permits & Fees	$ 3,000.00	
Postage, Messenger, Copies	$ 800.00	
Misc / Other Administrative	$ 1,350.00	
TOTAL ADMINISTRATIVE	$ 8,850.00	
FINANCIAL		
Mortgage	$ 49,500.00	
TOTAL FINANCIAL	$ 49,500.00	
TOTAL DISBURSEMENTS	$ 512,257.20	
NET INCOME	$ 8,311.80	

EXHIBIT D

82-04 LEFFERTS TENANTS CORP.

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

DECEMBER 31, 2019 AND 2018

AURIC
REAL ESTATE MANAGEMENT, LLC

MANAGEMENT ADDITIONAL DISCLOSURE REGARDING

THE ATTACHED FINANCIAL REPORT FOR YEAR ENDING 2019

The following disclosure should be read alongside the Auditor's Report, Financial Statements and the Notes for the 2019 calendar year for:

82-04 LEFFERTS TENANTS CORP.

One of the requirements for the conversion of the Property from a cooperative to a condominium is that an offering plan for such conversion must be accepted for filing by the Office of the NYS Attorney General. As of the date of Auditor's report, and financial statements, that being May 1, 2020, an offering plan has been submitted to the Office of the NYS Attorney General. The plan is still pending review and has not as yet been accepted for filing.

82-04 LEFFERTS TENANTS CORP.

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MICHAEL A. ROZYCKI, CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANT

629 FIFTH AVENUE, SUITE 109
PELHAM, NY 10803
Phone 914.654.0663
Fax 914.654.0936

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

Report on the Financial Statements

I have audited the accompanying financial statements of 82-04 LEFFERTS TENANTS CORP., which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 82-04 LEFFERTS TENANTS CORP as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Omission of Required Supplementary Information about Future Major Repairs and Replacements

The Corporation has not presented supplementary information about future major repairs and replacements to common property that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such omitted information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. My opinion on the basic financial statements is not affected by this omitted information.

Michael A. Rozycki, CPA PLLC

Pelham, New York
May 1, 2010

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash, operating account	$ 2,610	$ 6,970
Cash, reserve accounts	96,243	95,993
Escrow for property taxes	48,845	4,430
Receivables from tenant-shareholders	2,077	1,698
Prepaid expenses:		
Unexpired insurance premiums	6,228	7,022
Prepaid real estate taxes	1,633	46,960
Service contracts	488	1,365
Total current assets	158,124	164,438
Property and equipment, at cost:		
Land	500,000	500,000
Building	2,623,100	2,623,100
Building improvements and equipment	972,292	916,485
	4,095,392	4,039,585
Less accumulated depreciation	2,921,722	2,885,622
Net property and equipment	1,173,670	1,153,963
Total assets	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

BALANCE SHEETS

December 31, 2019 and 2018

	2019	2018
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 67,843	$ 58,966
Accrued mortgage interest	3,314	3,357
Maintenance revenue received in advance	1,266	1,744
Mortgage note payable, due within one year	1,037,328	13,516
Property tax abatements payable	6,926	9,450
Total current liabilities	1,116,677	87,033
Other liabilities:		
Refundable security deposits	6,700	6,700
Mortgage note payable, net of unamortized mortgage costs of $0 and $10,176 in 2019 and 2018, respectively	-	1,027,152
Total liabilities	1,123,377	1,120,885
Commitments and Contingencies - Note 6		
STOCKHOLDERS' EQUITY		
Common stock, 30,000 shares of $1.00 par value authorized, 25,881 shares issued and outstanding	25,881	25,881
Capital in excess of par value	2,561,219	2,561,219
Accumulated deficit	(2,378,683)	(2,389,584)
Total stockholders' equity	208,417	197,516
Total liabilities and stockholders' equity	$ 1,331,794	$ 1,318,401

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF OPERATIONS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Revenues:		
Maintenance charges	$ 339,425	$ 339,425
Rental income	145,159	164,389
Special assessments	45,292	5,176
Late fees and other income	5,466	10,586
Interest income, NCB patronage dividend	250	245
Total revenues	535,592	519,821
Expenses:		
Salaries and related costs	16,463	14,396
Electricity and gas	16,680	14,616
Heat	31,423	31,438
Water and sewer	33,967	36,204
Repairs, maintenance and supplies	46,361	71,273
Insurance	35,591	34,731
Management fee	23,766	22,852
Legal fees, tax certiorari	6,025	5,518
Professional fees	7,923	14,685
Debt servicing costs	49,428	50,854
Real estate taxes	208,148	197,278
Corporation taxes	2,443	2,280
Administrative	6,728	8,050
Telephone and communications	2,356	2,176
Other operating, permits and fees	1,289	1,103
Total expenses	488,591	507,454
Income from operations before depreciation expense	47,001	12,367
Depreciation expense	(36,100)	(33,486)
Net income (loss) for the year	$ 10,901	(21,119)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

For the Years Ended December 31, 2019 and 2018

	2019	2018
Common Stock		
Balance, beginning of year	$ 25,881	$ 25,881
Transactions during the year	-	-
Balance, end of year	$ 25,881	$ 25,881
Additional Paid-In Capital		
Balance, beginning of year	$ 2,561,219	$ 2,561,219
Transactions during the year	-	-
Balance, end of year	$ 2,561,219	$ 2,561,219
Accumulated Deficit		
Balance, beginning of year	$ (2,389,584)	$ (2,368,465)
Net income (loss) for the year	10,901	(21,119)
Balance, end of year	$ (2,378,683)	$ (2,389,584)

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.

STATEMENT OF CASH FLOWS

For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities		
Net income (loss) for the year	$ 10,901	$ (21,119)
Adjustments to reconcile net income (loss) for the year to net cash provided by operating activities:		
Depreciation and amortization	46,276	44,588
(Increase) decrease in assets:		
Escrow for property taxes	(44,415)	(2,679)
Receivables from tenant-shareholders	(379)	53
Other receivables	-	8,076
Unexpired insurance premiums	794	(179)
Prepaid real estate taxes	45,327	(1,998)
Prepaid expenses	877	1,377
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	8,834	24,367
Maintenance revenue received in advance	(478)	1,715
Property tax abatements payable	(2,524)	1,073
Refundable security deposits	-	700
Net Cash Provided By Operating Activities	65,213	55,974
Cash Flows From Investing Activities		
Additions to building improvements	(55,807)	(36,242)
Net Cash Used In Investing Activities	(55,807)	(36,242)
Cash Flows From Financing Activities		
Mortgage principal payments	(13,516)	(13,018)
Net Cash Used In Financing Activities	(13,516)	(13,018)
Net increase (decrease) in cash	(4,110)	6,714
Cash, beginning of year	102,963	96,249
Cash, end of year	$ 98,853	$ 102,963

Supplementary Cash Flow Disclosure

Cash used during the year for:		
Interest	$ 39,295	$ 39,793
Corporation franchise taxes	$ 2,248	$ 1,666

See Accompanying Notes to Financial Statements

82-04 LEFFERTS TENANTS CORP.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Organization

82-04 LEFFERTS TENANTS CORP. is a qualified cooperative housing corporation organized under Section 216(b)(1) of the Internal Revenue Code. The cooperative was formed in July 1980 to operate and maintain the common property located at 82-04 Lefferts Boulevard, Kew Gardens, New York. The building is comprised of 40 residential apartments, 4 stores and 13 garage parking spaces.

2. Summary of Significant Accounting Policies

Basis of Presentation - The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as detailed in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The Corporation has determined that it meets the definition of a Common Interest Realty Association (CIRA) for accounting purposes and therefore follows the CIRA accounting guidance in ASC 972.

Use of Estimates - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments - Financial instruments include cash and cash equivalents, accounts receivable, other assets, accounts payable and accrued expenses, mortgage notes payable, credit lines payable and other liabilities. The recorded values of cash and cash equivalents, accounts receivable and accounts payable and accrued expenses approximate their fair values based on their short-term nature. The recorded values of debt approximate their fair values as interest approximates market rates.

Cash Equivalents - For purposes of the statement of cash flows, the Corporation considers all highly liquid investments available for current use with original maturities of three months or less to be cash equivalent.

Accounts Receivable - Amounts due from tenant-shareholders are deemed fully collectible by the Corporation. It is the Corporation's policy to retain legal counsel and place liens against tenant-shareholders whose maintenance charges and assessments are in arrears after all reasonable collection methods are exhausted. Accordingly, no amount has been established as an allowance for uncollectible accounts.

Depreciation - Building and building improvements are stated at cost. The building and improvements are depreciated over their estimated useful lives using the straight-line method. Expenditures for repairs and maintenance are expensed to operations as incurred.

Revenue Recognition - Tenant-shareholders are subject to monthly maintenance charges based on an annual budget determined by the Board of Directors to provide funds for the Corporation's operating expenses and repairs and replacements to the common property. Any excess operating funds at year-end are retained by the Corporation for use in future years. Maintenance charge revenue is recognized as income in the period earned and is reported at estimated net realizable amounts. Payments received in advance are deferred until earned.

Income Taxes -The Corporation is subject to Federal income tax as a cooperative association pursuant to Subchapter T of the Internal Revenue Code. The Corporation is also subject to New York State franchise and New York City general corporation tax at prevailing tax rates and methods. The Corporation's tax filings are subject to audit by various taxing authorities for the years 2016 through 2019. In evaluating the Corporation's tax provisions and accruals, the Corporation believes that its estimates are appropriate based on current facts and circumstances.

The Corporation has incurred cumulative net operating losses for tax purposes which are available to be carried forward to future tax periods. It is not likely that the Corporation will benefit from any deferred tax benefits resulting from prior losses and accordingly no deferred tax assets have been recognized. The Corporation has available cumulative net operating losses of $720,929 expiring at various times through 2034.

The Corporation has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740 - *Accounting for Uncertainty in Income Taxes*. The Corporation will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authorities. The Corporation continually evaluates changes in the tax law and new authoritative rulings. At present, there are no uncertain tax positions recorded that would have a material impact on the financial statements.

Long Term Debt and Debt Issuance Costs - In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "Interest - Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs" (ASU 2015-03), which resulted in the reclassification of debt issuance costs from other assets ("Unamortized mortgage costs") to inclusion as a reduction of reportable long-term debt ("Mortgage note payable") on our balance sheet.

3. Mortgage Note Payable, Subsequent Event and Related Party Transaction

On December 1, 2014 the Corporation refinanced its existing mortgage note with a new first mortgage payable to National Cooperative Bank ("NCB", the "Lender") in the amount of $1,100,000. The mortgage note required constant monthly payments of $4,400 applied to interest at the rate of 3.71% with the remainder to the reduction of principal pursuant to a 40-year amortization schedule. The note was for a term of five years maturing December 1, 2019. Due to unexpected delays by the Office of the Attorney General in approving the Corporation's conversion to condominium ownership (see Note 6), the Corporation obtained a 3-month extension from NCB to February 28, 2020 to repay the mortgage note. NCB would not extend the loan further.

In February 2020, the Corporation secured funding sufficient to retire the NCB mortgage by issuing promissory notes totaling $1,100,000 to two individuals related to a member of the Corporation's Board of Directors in an arms-length transaction. The promissory notes require cumulative monthly payments of $4,125 applied to interest only at the rate of $4.50% per annum. Interest payments shall be made on the 27th of each month with 10 days grace period. If payment is not received by the 7th day of the following month, a 2% late fee shall apply. The promissory notes mature on August 27, 2020, at which time the entire unpaid principal balance, together with accrued interest thereon, becomes due and payable. The Corporation has an option to request a 3-month extension if needed.

In connection with its 2014 refinancing transaction, the Corporation incurred fees totaling $55,510 that were amortized over the five-year term of the mortgage note. Unamortized debt issuance costs (included as a reduction of long-term debt per ASU 2015-03) at December 31, 2019 and 2018 were $0 and $10,176, respectively. Amortization of debt issuance costs is reported together with interest expense in the income statement as Debt Servicing Costs. Interest expense for the years ending December 31, 2019 and 2018 was $39,252 and $39,752, respectively.

The cooperative apartment building and land at 82-04 Lefferts Boulevard, Kew Gardens Hills, New York are pledged as collateral for the mortgage and promissory notes.

4. Funding for Future Major Repairs and Replacements

The Corporation has not conducted a comprehensive study to determine the remaining useful lives of all the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The Board of Directors reviews the condition of various building systems on a periodic basis and intends to repair or replace elements of the common property as the need arises.

The Corporation's governing documents do not require the accumulation of separate funds to finance future major repairs and replacements. The Corporation has established cash reserves that it may draw on to provide funding for future capital expenditures. When additional funds are needed to meet future needs for major repairs and replacements, the Corporation has the right to increase regular maintenance, authorize special assessments, borrow, or delay non-essential major repairs and replacements until funds are available. The effect on future maintenance assessments has not been determined at this time.

5. Real Estate Tax Abatements

During June 2015, the New York State Legislature extended the real estate tax abatement program for cooperatives and condominiums in New York City, with modifications, to June 30, 2019. The modifications served to restrict abatements to apartment owners who use at least one apartment in the building as their primary residence. Abatements for apartment owners who did not meet the qualifications for primary residence were phased-out through the period ending June 2015. These owners include units that are held solely by a trust and possibly those units held by limited liability companies, corporations and partnerships. During 2019, the State Legislature extended the program through June 30, 2021.

82-04 LEFFERTS TENANTS CORP.
NOTES TO FINANCIAL STATEMENTS

6. Commitments and Contingencies

The Corporation is involved in various matters of litigation arising in the ordinary course of business. When appropriate, claims are submitted to the Corporation's insurance carrier. The Corporation's legal counsel believes that the Corporation has adequate insurance coverage for all pending lawsuits.

In November 2019, a special meeting of shareholders was called to vote on a resolution to convert the cooperative housing Corporation property to a condominium association. The resolution was approved by the required majority of shareholders.

7. Date of Management's Review

In preparing the financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through May 1, 2020, the date the financial statements were first available to be issued.

SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Board of Directors and Shareholders
82-04 LEFFERTS TENANTS CORP

I have audited the financial statements of 82-04 LEFFERTS TENANTS CORP. as of and for the years ended December 31, 2019 and 2018, and have issued a report thereon dated May 1, 2020 which contained an unmodified opinion on those financial statements. My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Capital Improvements and Repairs and Maintenance are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of the Board of Directors and management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects to the financial statements as a whole.

Pelham, New York
May 1, 2020

Michael A. Rozycki, CPA, PLLC

82-04 LEFFERTS TENANTS CORP.

SCHEDULE OF CAPITAL IMPROVEMENTS, REPAIRS AND MAINTENANCE

For the Years Ended December 31, 2019 and 2018

	2019	2018
Capital Improvements		
Replace boiler tubes	$ 13,797	$ 5,144
Rennovation of commercial space	1,104	18,900
New door and windows	13,979	-
Waterproofing project	9,700	-
Intercom system upgrade	8,476	-
new hot & cold water valves	5,003	-
Elevator door lock monitoring system compliance	3,748	-
Lintel repair	-	9,100
Cutter pump	-	3,098
Totals	$ 55,807	$ 36,242
Repairs and Maintenance		
Plumbing and heating	$ 13,302	$ 32,766
Elevator maintenance, inspection, testing and repair	6,940	10,271
Painting, plastering, carpentry, glazing	4,305	3,563
Doors, locks and windows	5,419	2,407
Supplies and materials	7,240	7,771
Exterminating	2,835	2,675
Intercom and electrical	3,452	4,909
Sprinkler maintenance	2,286	2,286
Exterior repairs	-	4,500
Equipment repairs		-
Other	582	125
Totals	$ 46,361	$ 71,273