

CONDOMINIUM OFFERING PLAN

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
COUNTY OF NEW YORK
NEW YORK, NEW YORK 10032**

TOTAL OFFERING PRICE

4 Residential Units \$3,656,000.00

SPONSOR/SELLING AGENT:

ARCHON EQUITIES LLC
600 OLD COUNTRY ROAD, ROOM 338
GARDEN CITY, NEW YORK 11530

DATE OF ACCEPTANCE FOR FILING:

THIS OFFERING PLAN MAY ONLY BE USED FOR 12 MONTHS FROM THIS
DATE UNLESS EXTENDED BY A DULY FILED AMENDMENT.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER
THAN SELL THE UNITS AFTER CONSUMATION OF THE PLAN, THIS PLAN MAY NOT
RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE
UNITS ARE OWNED BY OWNER-OCCUPANTS UNRELATED TO THE SPONSOR.
PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE
BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. (SEE SPECIAL RISKS)

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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

SPONSOR'S ATTORNEY:

KUNSTLINGER LAW FIRM LLC
777 CHESTNUT RIDGE ROAD, SUITE 202
CHESTNUT RIDGE, NEW YORK 10977
845-689-2400

TABLE OF CONTENTS

PART I	PAGE
SPECIAL RISKS	1
INTRODUCTION.....	13
DEFINITIONS	18
DESCRIPTION OF PROPERTY AND IMPROVEMENTS.....	21
LOCATION AND AREA INFORMATION	23
SCHEDULE A-	
"OFFERING PRICES AND RELATED INFORMATION"	24
NOTES TO SCHEDULE A	25
SCHEDULE B	28
NOTES TO SCHEDULE B	29
SCHEDULE B-1	33
COMPLIANCE WITH REAL PROPERTY LAW § 339-i.....	34
CHANGES IN PRICES AND UNITS	35
INTERIM LEASES TO PURCHASERS.	36
PROCEDURE TO PURCHASE	37
ASSIGNMENT OF PURCHASE AGREEMENTS.....	48
EFFECTIVE DATE	49
TERMS OF SALE.....	51
UNIT CLOSING COSTS AND ADJUSTMENTS.....	55
RIGHTS AND OBLIGATIONS OF SPONSOR.	58
CONTROL BY SPONSOR.....	67
BOARD OF MANAGERS.....	69
RIGHTS & OBLIGATIONS OF	
UNIT OWNERS & BOARD OF MANAGERS	73
REAL ESTATE TAXES	86
COUNSEL'S OPINION.....	88
RESERVE FUND	96
WORKING CAPITAL FUND	96
MANAGEMENT AGREEMENT.....	97
IDENTITY OF PARTIES	98
REPORTS TO UNIT OWNERS	100
DOCUMENTS OF FILE.....	100
GENERAL	101
SPONSOR'S STATEMENT OF BUILDING CONDITION.....	102
ASBESTOS STATEMENT	102

PART II

PURCHASE AGREEMENT.....	A
POWER OF ATTORNEY	B
FORM OF UNIT DEED	C
DESCRIPTION OF PROPERTY AND SPECIFICATION.....	D
ESCROW AGREEMENT & HOUSING MERCHANT IMPLIED WARRANTY LAW.....	E
DECLARATION OF CONDOMINIUM	F
CONDOMINIUM BY-LAWS	G
CERTIFICATIONS	
SPONSOR AND PRINCIPAL.....	H
SPONSOR'S ENGINEER (OR ARCHITECT).....	I
SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	J

PART I

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

SPECIAL RISKS

The following is a summary of certain special risk considerations in connection with the Plan but is not intended to summarize all major features of the Plan. Prospective Purchasers are urged to read the following special risk factors in conjunction with the Plan for a discussion of these and other important aspects of this condominium offering.

- (1) Purchaser will be responsible for the following costs at closing, in addition to the purchase price and other closing costs listed in the Section UNIT CLOSING COSTS AND ADJUSTMENTS:
 - (i) Although it is the Seller's statutory expense, Purchaser shall pay for the New York State Transfer Tax (currently \$2.00 per \$500.00 or a fractional portion thereof of the purchase price) and the New York City Transfer Tax (currently \$1.00 per \$100.00 or a fractional portion thereof of the purchase price up to \$500,000.00 and \$1.425 per \$100.00 thereafter) imposed by statute on the transferors of the Property. For purposes of calculating the transfer taxes to be paid, consideration includes the transfer taxes paid by the Purchaser.
 - (ii) If applicable, Purchaser shall pay for the New York City Mansion Tax (1% of the purchase price for transfers \$1,000,000.00 and higher)
 - (iii) Purchasers shall be obligated to pay a fee of \$2,000.00 to Gary Horn, Esq., for services rendered in connection with the preparation of closing documents.
 - (iv) Purchaser shall be obligated to pay an estimated \$230.00 recording fee for the deed and approximately \$100.00 for recording the power of attorney.
 - (v) Purchaser shall be obligated to pay an estimated fee of \$200.00 for preparation of ACRIS documents.
 - (vi) If Purchaser obtains a mortgage, Purchaser shall be obligated to pay and a fee and service charge for recording the mortgage at approximately \$280.00.
 - (vii) Purchaser shall be obligated to pay a fee to the Sponsor in the amount of \$5,000.00 to reimburse the Sponsor for its costs associated with creating the Condominium and applying for tax benefits, e.g. architectural costs, filing fees, legal fees.
 - (viii) Purchaser will be required to deposit with the Board of Managers two (2) months' Common Charges for his Unit to be used as working capital. See Section WORKING CAPITAL FUND for details.
 - (ix) At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the Closing Date in the notice to close: (i) real estate taxes; (ii) rent and other charges, if any, pursuant to a lease for, or tenancy of, such Unit; (iii) condominium insurance from the date of closing until the policy anniversary; and (iv) Common Charges from the date of closing Unit the end of the month; (v) an amount equal to the unpaid real estate taxes which will be levied against the unsold Unit for the six month period following the first closing.
- (2) Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the unconditional right to rent rather than sell the Units after consummation of the Plan. As a result,

there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective, which is one Unit, and, therefore, Unit Owners may never gain effective control and management of the Condominium. Notwithstanding the fact that not all Purchasers used for purposes of declaring the plan effective may actually close, Sponsor will re-declare the Plan effective if all Purchase Agreements are either rescinded or terminated prior to the date of the first Unit closing, regardless of whether the condominium Declaration has been recorded. At least one Unit must close for there to be a condominium regime established. Construction financing has not been firmly committed with a lending institution. In the event financing is obtained, the Plan will be amended to disclose the terms of the lender. See INTRODUCTION and RIGHTS AND OBLIGATIONS OF SPONSOR for details.

- (3) The By-Laws do not contain a requirement pursuant to which a majority of the Condominium Board must be owner-occupants of the building or members of an owner-occupant's household who are unrelated to Sponsor and/or its Principals, after the end of the Sponsor Board Control Period. Purchasers for their own occupancy may never gain control of the Board of Managers. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment. See INTRODUCTION and BOARD OF MANAGERS for further details.
- (4) Because dimensions listed are based on measurements from exterior walls, meaning they measure the approximate distance from the outer face of the outer wall of the building to the middle face of the wall separating the Unit from corridors, stairs, elevators, vestibules and other Units, they do not accurately represent the interior space in the Unit and may significantly exceed the actual usable floor area. Unit 1 consists of a basement and cellar. See SCHEDULE A for further details.
- (5) The Condominium will not be professionally managed. Therefore, administrative work such as collecting common charges and bookkeeping are the responsibility of the Unit Owners. In the event a managing agent is hired, common charge will be increased by approximately 12% of the budget. During the Sponsor control period the Sponsor will manage the condominium for no fee. See SCHEDULE B for further details.
- (6) As Common Charges do not include electricity and heating costs for the Unit, each Unit Owner will be responsible for the cost of gas (heating and hot water) and electricity supplied to his Unit. See SCHEDULE B for further details.
- (7) No allowance is provided for legal services. In the event the Board of Managers decides to engage an attorney the Common Charges will increase. The amount for legal fees will vary based on the services provided. See SCHEDULE B for further details.

- (8) The building will have only one water meter for all of its units. The plan provides that the budget charges (which include water and sewer charges as part of the Common Charges) are to be divided among the units in the building in proportion to percentage of Common Interest, even though the units may use water in a different proportion. See SCHEDULE B for further details.
- (9) The insurance coverage provided does not include the following items and may be available at extra cost: officers' and directors' liability; water damage; fidelity insurance; excess liability and auto liability. The consequence of not having such additional insurance is that in the event of any claim or damage with regard to the above the Board may need to assess a special assessment to the Unit Owners to be able to pay for the claim and or damage. The insurance coverage provided by the Condominium Board does not include claims for personal injury or Property damage occurring within a Unit nor does it include coverage for the contents present in the Unit. Therefore, the Unit Owners should consider obtaining the following at his own cost: insurance covering the contents of the Units, personal Property, and liability for personal injury as a result of occurrences in the individual Unit. See sections NOTES TO SCHEDULE B and RIGHTS AND OBLIGATIONS OF UNIT OWNERS for details.
- (10) A decrease in area of 5% or less may not trigger Purchaser's consent unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. One of the material changes to the layout shall include, without limitation, any change to the layout which does not allow the same use and access as stated in the Description of Property in Part II of the Plan. See Section CHANGES IN PRICES AND UNITS.
- (11) The Sponsor reserves the right to rent or lease vacant Units to Purchasers under an Interim Lease both prior to and after consummation of the Plan. The Sponsor-Seller reserves the right to rent or lease vacant Units to any other individual or entity that is not purchasing a Unit, only after consummation of the Plan. However, once a vacant Unit is sold, and so long as the Purchase Agreement is in effect, it may only be leased to the Purchaser of such Unit. It is possible that Sponsor-Seller will condition the sale of a vacant Unit upon the Purchaser entering into an Interim Lease. Under no terms will a Purchaser lessee be permitted nor required to move in without a certificate of occupancy which is kept current.

Prior to the first closing, the entire building be insured by the Sponsor. After the first Unit closing, the entire building will be insured by the Condominium. If the Purchaser becomes the tenant or actually occupies the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such

Purchaser or other occupants of the Units or such Purchaser's guests, invitees, or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured.

The Interim Lease will provide that a default by the Purchaser under his Purchase Agreement which has not been cured will constitute a default under the lease entitling the landlord (*i.e.*, Sponsor-Seller), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event the Purchaser fails to cure a default under his lease within the applicable grace period (if any) and Purchaser has vacated the Unit. See Section INTERIM LEASES for details.

In the event that Landlord employs an attorney to collect any rents or other charges due hereunder by Tenant or to enforce any of Tenant's covenants herein or to protect the interest of the Landlord hereunder, and Sponsor prevails in such a litigation, Tenant agrees to pay a reasonable attorney's fee and all expenses and costs incurred thereby.

- (12) The obligations of a Purchaser under the Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as to the availability or cost of such financing. Sponsor must give at least 30 days written notice of default to a Purchaser before forfeiture of downpayment can be declared.

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

However, Sponsor, at its sole discretion, may be prepared to negotiate a financing contingency at the time of Purchaser's execution of a Purchase Agreement. The Sponsor may or may not grant a mortgage contingency, depending upon how the market for the Units develops. If Sponsor elects to do so, Purchaser shall have thirty

(30) days after Purchaser's receipt of the fully executed purchase agreement to secure a mortgage loan commitment at the then prevailing interest rate. In the event no such financing is furnished, the Purchase Agreement may be declared null and void by either party by written notice to the other postmarked or delivered within five (5) days subsequent to such 30-day period. In such event, the contract deposit shall be returned to Purchaser. If such notice is not sent within such five-day period, the financing contingency clause shall be deemed waived. If waived, the failure to obtain financing or otherwise raise sufficient funds in time to satisfy the requirements of the Purchase Agreement, will not be relieved of their obligations hereunder and may, therefore, lose their deposit as provided in the Purchase Agreement.

However, if the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to Purchaser a right of rescission and a reasonable period of time to exercise the right. Note that under New York law, when a mortgage contingency is not fulfilled through no fault of Purchaser, performance is excused. If Purchaser acts in good faith and lender revokes commitment after contingency period expires, performance is excused. Purchaser's failure to provide information to the lending institution promptly upon request therefore or to accept a commitment issued to Purchaser on the terms set forth herein, shall constitute an event of default for which Sponsor shall the right to cancel the Purchase Agreement. See Section PROCEDURE TO PURCHASE for further details.

- (13) The Sponsor anticipates that the first closing of a Unit will occur by April 1, 2020. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than March 31, 2021, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers who enter into a Purchase Agreement after the amendment is accepted for filing will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date. Sponsor will amend the Plan to offer all Purchasers the right for not less than fifteen (15) days following the presentation of such amendment within which to rescind their offer to Purchaser. Sponsor will return any deposit or down payment to Purchasers who rescind within ten (10) days of the receipt of written notice of rescission.

However, if the first Unit closing occurs prior to April 1, 2021, the Sponsor may schedule the closings of title to their Units significantly later than such date. Unless your Purchaser Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See Section PROCEDURE TO PURCHASE for further details.

- (14) The IOLA escrow account in which down payments or advances made by Purchasers will be placed is covered by federal bank deposit insurance ("FDIC") for \$250,000.00 per individual deposit. Any deposits that a Purchaser has at the IOLA account bank will be included in the calculation of the \$250,000 limit and any amount exceeding this limit will not be covered by the FDIC. Interest earned on an IOLA escrow account does not accrue to the benefit of either the Purchaser or Seller but is paid in accordance with the IOLA provisions. See Section PROCEDURE TO PURCHASE for details.
- (15) After the plan has been declared effective, Sponsor will serve a notice setting a Closing Date, which date shall not be earlier than 30 days from the date of such notice. TIME IS OF THE ESSENCE to close on such date. In the event that a Purchaser defaults in paying the balance of the Purchase Price on the date scheduled by Sponsor for closing title to his or her Unit; or defaults in performing some other obligation under the Purchase Agreement Sponsor will send written notice to such Purchaser specifying the nature of the default. Sponsor's sole remedy is to cancel the Purchase Agreement by sending thirty (30) days' written notice to such Purchaser. If such Purchaser shall fail to cure such default within the said thirty (30) day period, Sponsor shall retain, as and for liquidated damages the full amount of the down payment and the actual cost incurred by Sponsor for any special work ordered. TIME IS OF THE ESSENCE to Purchaser as to Purchaser's obligations pursuant to the Purchase Agreements. See Section PROCEDURE TO PURCHASE for details.
- (16) In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing and Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be twelve percent (12%) per annum, however the rate may not exceed NY usury laws. This rate shall be in effect for as long as there are any unpaid amounts owing towards the full purchase price. See Section PROCEDURE TO PURCHASE for further details.
- (17) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. However, Purchasers should note as a special risk that such funds actually expended may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission or in default, the Purchaser will not receive a refund of any funds used for upgrades or extras. However, all funds expended, advanced or otherwise must be returned to the Purchaser entitle to rescission if the rescission is the result of Sponsor's inability to consummate the deal. If Sponsor abandons the Offering Plan, it will return Unit upgrade funds to Purchasers. See Section PROCEDURE TO PURCHASE for details.
- (18) At title closing, Purchaser shall also be required to execute a Unit Owner's Power of Attorney to the Board of Managers of the Condominium in order to close. Failure to

do so is a default under the Purchase Agreement. See Section PROCEDURE TO PURCHASE for details.

- (19) All conflicts that may be resolved by arbitration pursuant to New York State law, between the Sponsor and a Purchaser regarding any unresolved disputes or conflicts as well as the disposition of escrow funds, or between the Sponsor and a Unit Owner or between the Sponsor and the Board, or if there is a deadlock in any matter, must be submitted to arbitration for resolution by a single arbitrator, which must be mutually agreed upon, who shall be neutral and independent of any parties involved, in a proceeding in New York or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association (“AAA”) or any successor organization thereto within thirty (30) days of the dispute. The cost shall be equally shared by the parties involved. The Purchase Agreement contains a clause requiring the disputes regarding the disposition of deposits, down payments, or advance by Sponsor be submitted to arbitration. This eliminates the parties’ right to pursue judicial remedy. The parties are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed. Arbitration awards are generally final and binding, and a party’s ability to appeal this decision or to have a court reverse or modify an arbitration award is very limited. This provision does not abrogate Purchaser’s rights under Article 23-A of the New York General Business Law or Article 75 of the New York C.P.L.R. See Section PROCEDURE TO PURCHASE, PURCHASE AGREEMENT and ARTICLE 10 of the BY-LAWS for further details.
- (20) There will be no escrow held for punch list items, which are incomplete or incorrect installations or damage to the finishes and/or material, which the Sponsor shall be liable for. See Section TERMS OF SALE for details.
- (21) Sponsor agrees to pay all Common Charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold Units. Such obligations shall be funded through the rentals and sales of unsold Units and from other funds of the Sponsor. No bond or other security has been posted to secure Sponsor's obligations. See Section RIGHTS AND OBLIGATIONS OF THE SPONSOR for details.
- (22) The Housing Merchant Implied Warranty is limited in this Offering not to exceed \$25,000.00. Such limitation is subject to Sections 777-a and 777-b(4)(e) of the General Business Law. The limited warranty, however, cannot permit construction which is below code or below locally accepted Building practices, and the limited warranty time periods cannot be shorter than those describe below. Any exclusion or modification of warranties that does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such standard, a locally accepted building practice, shall be void as contrary to public policy. In addition, any exclusion or modification of warranties that fails to ensure that a home is habitable by

permitting conditions to exist which render the home unsafe, shall be considered void as well. However, Sponsor's obligation, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. See Section RIGHTS AND OBLIGATIONS OF THE SPONSOR for further details.

- (23) No bond or other security has been posted to secure Sponsor's obligations. See Section, RIGHTS AND OBLIGATIONS OF THE SPONSOR for more details.
- (24) There is a permanent certificate of occupancy which was issued July 23, 2015. Sponsor has an open building permit to rehab the building and enlarge the 3 stories at rear with no change in the number of dwellings. The Sponsor will not be obtaining a new certificate since it is not required. However, prior to the first unit closing, Sponsor will obtain a certificate of completion from the Department of Buildings for the renovation work performed at the property upon completion of the renovations. No funds must be escrowed to obtain the certificate of completion. Sponsor anticipates receiving same by April 1, 2020. Sponsor will disclose in the post-closing amendment the date when the certificate of completion was issued. Section RIGHTS AND OBLIGATIONS OF THE SPONSOR for details.
- (25) Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, and unless the existence of mold, mildew, spores fungi, or other toxins occurs within six (6) months or earlier of the Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could not be discovered within twelve (12) months of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew, spores, fungi, or other toxins. There is no warranty as to view or light quality. In no event will Sponsor be liable for incidental or consequential damages, provided that this is not in violation of the regulation and the Martin Act. Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. See Section, RIGHTS AND OBLIGATIONS OF THE SPONSOR for more details.
- (26) Provided a Purchaser was given the opportunity to inspect the Unit prior to the date a Unit Owner is given possession to, or closing of title of, his Unit, subsequent to such date Sponsor shall not be responsible for immaterial conditions such as paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, mars, breaks, or other blemishes in the following: windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, tubs, basins, kitchen cabinets and

countertops, vanity tops and cabinets, medicine cabinets, saddles, wood flooring, appliances, woodwork and doors. See Section RIGHTS AND OBLIGATIONS OF THE SPONSOR for details.

- (27) Sponsor will maintain control of the Board of Managers of the Condominium either for the first two (2) years from the date of the first closing or as long as the Sponsor owns at least one Unit, whichever is less. During the period of Initial Control, the Sponsor shall designate a majority of the Board Members; the remaining Board Member shall be elected by all Unit Owners, other than the Sponsor. After the Sponsor has relinquished control, the Sponsor will have the same voting rights as any other Unit Owner and no additional voting rights. Within thirty (30) days after the Sponsor Control period ends, Sponsor will call a special meeting of the Unit Owners to elect a new Board of Managers who will be elected based on the plurality of the votes. Each and every Unit Owner, including the Sponsor shall have a right to cast one (1) vote for each percentage of interest owned. See Section CONTROL BY SPONSOR for further details.
- (28) As long as the Sponsor or its designee shall own at least one (1) Unit, but in no event later than three (3) years after closing of title to the first Unit, the Board of Managers may not, without the prior written consent of the Sponsor or its designee, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (however, Sponsor will not unreasonably withhold consent to additions to the contingency fund provided for in Schedule B to the extent assessments are necessary to make expenditures required by law), or (iii) increase the number or change the type of employees from that described in Schedule B set forth in the Plan; (iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph or (v) borrow money on behalf of the Condominium (except where necessary to perform work required by law or required by an insurance carrier to the extent that existing reserves are insufficient). Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required to comply with applicable laws or regulations; or to remedy any notice of violation; or to remedy any work order by an insurer or necessary for the health and safety of the occupants of the Condominium. See Section CONTROL BY SPONSOR for details.
- (29) No bird, reptile, outdoor pets (e.g. dogs, cats, chickens, etc.). or animal shall be permitted, raised, bred, kept, or harbored in the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent. See Section RIGHTS AND OBLIGATIONS OF BOARD OF MANAGERS for details.
- (30) All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith, willful misconduct or gross negligence of such member or that are contrary

to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of the indemnification of the Board of Managers will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners. See Section OF BOARD OF MANAGERS for details.

- (31) For as long as Sponsor or its designee is the owner of one (1) or more Units in the entire Condominium, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or such designee without the prior written consent of every Unit Owner affected by such amendment. See Section BOARD OF MANAGERS for details.
- (32) Right of First Refusal: Each owner of a Unit (other than Sponsor or its designee with respect to Unsold Units) may sell or lease his or her Unit; subject only to the right of first refusal in favor of the other Unit Owners on behalf of the Board of Managers of the Condominium (the "Condominium Board") or a third party produced by the other Unit Owners on behalf of the Condominium Board to acquire or lease such Unit upon the same terms that were offered to the prospective buyer or tenant. See Article 7 of the By-Laws attached hereto for detailed restrictions on sale, resale or leasing of Units. Also see INTRODUCTION for further details.
- (33) Smoking and using e-cigarettes of any kind are not allowed in any of the indoor Common Area, including but not limited to lobbies, hallways, stairways, storage areas, etc. see Sections INTRODUCTION and RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS for further details.
- (34) The Internal Revenue Code of 1986, as amended by Public Law No. 115-97, limits the deductions of mortgage interest to mortgages incurred in acquiring, constructing or substantially improving the first and second residences of a taxpayer. The Tax Cuts and Jobs Act of 2017 (Public Law No. 115-97) amends said code to limit the deduction to interest paid on acquisition indebtedness not to exceed \$750,000.00 for acquisitions occurring after December 31, 2017. Starting January 1, 2018, home equity indebtedness is not deductible whether incurred before or after December 31, 2017. Unit Owners that elect to itemize their deduction are permitted an annual deduction of up to \$10,000 (\$5,000 in the case of a married filing separate return) of state and local taxes on their federal individual income tax return. The deduction for state and local taxes includes both real estate taxes and state income taxes. Purchasers are advised to consult with their own expert regarding the tax consequences of purchasing a condominium Unit. See NOTES TO SCHEDULE A and REAL ESTATES TAXES for more details.
- (35) No representation is made that the initial reserve fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the initial capital fund, it may be necessary for the Board of Managers to increase the charges. See Section WORKING CAPITAL FUND.

- (36) No representation is made that the reserve fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the reserve fund, it may be necessary for the Board of Managers to increase the Common Charges or issue a special assessment. See section RESERVE FUND for further details.
- (37) Buildings constructed prior to 1979 may contain lead paint, and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as an exhibit to this plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of, and any appropriate remediation for lead paint.
- (38) Below grade areas consisting of the Common areas in the cellar and the cellar area of Unit 1 have less light and air than ordinary living space and it is more susceptible to dampness. The cellar area of Unit 1 is accessory use only – not to be used for sleeping, cooking and/or living purposes and will not be rented independently. Below grade areas consisting of the Common areas in the cellar and the cellar area of Unit 1, the yard or roof terraces, are uninhabitable and may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, etc. To do so may result in a violation being issued by the Building Department. It will be the responsibility of the Unit Owner who causes the violation to pay for and clear any violation. See INTRODUCTION for further details.
- (39) Unit Owners must notify the Board of Managers in writing when a child/children under the age of eleven (11) years lives or resided (even temporarily), in the Unit. Each residential Unit Owner shall install at their own expense, the required window guards in all windows of the Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers. See INTRODUCTION for further details.
- (40) Financial Crimes Enforcement Network (“FinCEN”) 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 located in the Boroughs of Bronx, Brooklyn, Queens, Bronx, Staten Island, or Manhattan in New York City, New York; (3) the total purchase price is in excess of \$300,000.00; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier’s check, a certified check, a traveler’s check, a personal check, a business check, or a money order in any form, or a funds transfer, or virtual currency. As long as the Geographic Targeting

Order (GTO) issued by FinCEN remains in effect, its reporting requirements apply to all residential real property closings. See Section PROCEDURE TO PURCHASE for further details.

- (41) Part of the cellar that is existing including the Common Areas and Limited Common Elements (storage rooms to Units 2, 3, and 4) have a low ceiling height of 6'-2" as reflected on the Plans and does meet with the minimum 7'-0" height required by code. The new rear portion basement which is part of Unit 1 does have ceiling height of 8' and complies with the Building Code. See Section DESCRIPTION OF PROPERTY for further details.
- (42) Sponsor is not providing a "No Dollar Limit" (NDL), manufacturer's warranty for the new roof. The absence of a NDL manufacturer's warranty may indicate that the roof membrane and appurtenances were not inspected for compliance with the manufacturer's specifications for installation. As such, premature deterioration, roof leaks and replacements of the roof membrane may be anticipated and Purchasers shall be responsible to bear the cost of same which is approximately \$2,000.00. See Section DESCRIPTION OF PROPERTY for further details.
- (43) The Sponsor will manage the buildings superintendent to inspect any possible leaks in Apartment 3 and 4 every month to ensure that all drainage is functioning and in good working condition. If damage does occur, the Sponsor shall be responsible for all the losses by the Unit Owner and hire a licensed plumber to repair the defective drainage. See Section DESCRIPTION OF PROPERTY for further details.
- (44) The manufacturer is not providing any warranty to the waterproofing at the flat roof, starting the installation date. This may require the Unit owners to have the Sponsor to engage a specialized contractor to make a first inspection of the roof, as soon as possible and thereafter to maintain the good conditions of the roof to comply with section 1507 and section 1609. See Section Part II, DESCRIPTION OF PROPERTY for further details.
- (45) Sponsor is not providing for the Limited Common Elements allocated to Unit 4 a proper walking surface, instead there will be a deck finish with a built up waterproofing membrane exposed to the sky on the roof. The Sponsor recommends the Unit purchasers to install roof pavers in order to prevent damaging the waterproofing member which could be caused by accidental wear and tear and also to avoid issues related to manufacturer not providing any warranty. See Section Part II, DESCRIPTION OF PROPERTY for further details.

INTRODUCTION

This is an Offering Plan for the sale of condominium units at 422 West 160th Street, New York, New York. The purpose of the Plan is to set forth all the material terms of the transaction of the offer to sell these units as condominium units. The Plan may be amended from time to time by amendments to be filed with the New York State Department of Law and will thereafter be served upon Purchasers who have executed and delivered Purchase Agreements to the Sponsor or Selling Agent, Unit Owners and any other person entitled to service pursuant to local law or regulation.

The Sponsor is Archon Equities LLC, having an address at 600 Old Country Road, Room 338, Garden City, New York 11530 ("Sponsor"). The Sponsor acquired the Property in May of 2014. The Sponsor presents this Offering Plan (the "Plan") for conversion to condominium ownership of the Property pursuant to and in compliance with Article 9-B of the Real Property Law of the State of New York, as amended (the "Condominium Act"). The condominium shall be known as The Jumel Mansion Condominium (the "Condominium").

The Offering Plan encompasses the buildings and all appurtenances thereto at 422 West 160th Street, Borough of Manhattan, County of New York, City and State of New York (the "Building"), and the land on which they are to be erected. There is one (1) existing building currently under renovation consisting of a cellar, basement, and three stories. Such building and land are hereinafter collectively called the "Property". There will be four (4) residential Units which the Sponsor offers for sale under the Plan which are vacant. There is no parking on the Premises. See the Engineer's Report and Floor Plans included in Part II for further details. The purchase prices and estimated Common Charges (payable on a monthly basis) for each of the Units are listed in SCHEDULE A -- OFFERING PRICES AND RELATED INFORMATION.

The ownership of a condominium Unit is similar in many respects to the ownership of a private home. Each Purchaser owns his Unit outright, in fee simple absolute, and is entitled to exclusive possession of his Unit together with an interest in and right to use the Common Elements and the Limited Common Elements, if any. The Common Elements essentially consist of all parts of the Property other than the Units themselves, are owned by all of the Unit Owners as tenants in common, each having an undivided interest therein. The Common Elements consist of all portions of the Condominium Property that are not designated as Units or parts thereof.

The Common Elements include, generally, and without limitation, the Condominium Property including the portions on which the Building is erected. See Section DEFINITIONS for further details. The Common Elements are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B of the Real Property Law).

Limited Common Elements generally are those Common Elements reserved for use

and enjoyment by one or more Units. The Limited Common Elements in this Condominium consists of the following:

- (i) the rear yard to Unit 1;
 - (ii) the storage rooms to Units 2, 3 and 4;
 - (iii) the roof terrace to Unit 4;
- as shown on the Schedule A and Floor Plans

The cost of maintenance, repair and replacement of Limited Common Elements shall be borne by the Unit Owner or Owners having the exclusive or shared use thereto except for the roof repair or replacement which shall be a common expense.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws and rules and regulations and any other requirement of the Board of Managers.

Common Charges must be paid by each Unit Owner in accordance with the New York Condominium Act, Sections 339-i and 339-m. These charges are payable on a monthly basis, in advance. 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 Common Elements. For more information on Common Charges and how they are assessed, see Section "Definitions" and Article VI of the BY-LAWS attached hereto.

Other than as set forth herein, there is no restriction upon ownership of a Unit, except that this offer is made only to persons over eighteen (18) years of age. Any Unit Owner can sell or lease his or her Unit to anyone, without any other restriction or limitation, subject only to the right of first refusal in favor of the Board of Managers of the Condominium (the "Condominium Board") or a third party produced by the Condominium Board to acquire or lease such Unit upon the same terms that were offered to the prospective buyer or tenant. Note that the following is merely a summary of conditions for the resale or lease of a Unit, and you are referred to Article 7 of the By-Laws attached hereto for detailed restrictions on sale, resale or leasing of Units. Any deed to a subsequent Purchaser must provide that the acceptance thereof by the grantee constitutes an assumption of the provisions of the Declaration, the By-Laws, and the rules and regulations of the Condominium as they may be amended from time to time.

No Unit Owner may convey or mortgage title to his Unit without including therein the appurtenant interest in the Common Elements. No Unit Owner is permitted to convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he has paid in full to the Board of Managers all unpaid Common Charges previously assessed by the Board of Managers against his Unit, and until he shall have satisfied all unpaid liens against the Unit, except permitted mortgages.

The Board of Managers has the power and responsibility for the operation of the Condominium. These responsibilities include, among other things, the operation, care, upkeep and maintenance of the Common Elements, collection of Common Charges from the Unit Owners, employment of personnel, adoption and amendment of rules and regulations,

maintenance of bank accounts, obtaining insurance, making repairs, additions and improvements or alterations to the Common Elements, repair, reconstruction and restoration of damage by fire or other casualty, and such other functions as may be required in connection with the operation and maintenance of the Property. The Board of Managers will elect a President, a Secretary, a Treasurer, and such Vice Presidents as it may deem necessary for the administration of its affairs. No member of the Board nor any officer will receive any compensation for acting in such capacity. The Board may engage a manager or managing agent to perform any of its delegable duties as provided in the By-Laws of the Condominium, and may pay such manager or managing agent such compensation as the Board deems desirable.

Each Unit is entitled to vote as follows including the right to vote for members of the Board of Managers: (a) each Residential Unit shall be entitled to one (1) vote for each percentage of interest owned in all matters which require a vote of the Unit Owners. Where title to a Unit is held by two (2) persons, each such co-owner will be entitled to one-half (1/2) the vote allocated to that Unit. Except in those instances where the New York Condominium Act, the Declaration or the By-Laws provide otherwise, all matters to be decided by the vote of Unit Owners will be decided by a majority vote thereof.

Each Unit will be separately taxed for real estate tax purposes and, therefore, no Unit Owner is liable for the payment of real estate taxes on any Unit other than his own. No Unit is subject to the lien of a mortgage on any other Unit.

Fire and liability insurance covering the Common Elements covering the entire Condominium are included with other items as part of the Common Charges, but fire and liability insurance for the Purchaser's personal effects in the interior of each Unit, including, but not limited to decorations, painting, furniture or improvements made by the Unit Owner, should be carried out by the individual Purchaser. Each Unit Owner desiring such coverage on his personal effects must purchase his own policy at his own cost and expense. All policies purchased by Unit Owners must contain waivers of subrogation and must contain provisions to the effect that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of the policy or policies carried by Unit Owners.

All painting and decorating of exterior portions of the Building and Common Elements including exterior doors as well as all repairs and replacements to the Common Elements shall be made by the Board of Managers through its officers, its manager or managing agent. No further approval of the Unit Owners shall be required for the foregoing, regardless of the cost, and such costs will be charged to the Unit Owners as Common Charges, except to the extent that the same may be charged to a particular Unit Owner if such costs are necessitated by his negligence or misuse.

Each Unit Owner may decorate the interior of his or her Unit in any manner that he or she desires, subject to compliance with the Condominium's By-Laws and the Rules and Regulations promulgated pursuant thereto, and will be solely responsible for the cost and

expense of maintaining, repairing, painting and maintaining casualty and liability insurance on his or her Unit.

Below grade areas consisting of the Common areas in the cellar and the cellar area of Unit 1 have less light and air than ordinary living space and it is more susceptible to dampness. The cellar area of Unit 1 is accessory use only and will not be rented independently. Below grade areas consisting of the Common areas in the cellar and the cellar area of Unit 1, the yards and roof terraces are uninhabitable and may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, etc. To do so may result in a violation being issued by the Building Department. It will be the responsibility of the Unit Owner who causes the violation to pay for and clear any violation. Unit Owners must notify the Board of Managers in writing when a child/children under the age of eleven (11) years lives or resided (even temporarily), in the Unit. Each residential Unit Owner shall install at their own expense, the required window guards in all windows of the Unit and shall not remove them until permitted by applicable law and in any event, without the full knowledge of the Board of Managers.

Sponsor is providing new appliances including a gas range, refrigerator, dishwasher, washer and dryer for each Unit.

There are no restrictions on who may purchase a Unit in the Condominium. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever any Unit Owner or mortgagee, to refuse to approve and execute (i) a Purchase Agreement for any Unit, and (ii) a Purchase Agreement or Agreements, as the case may be, for more than one (1) Unit to anyone person or entity; provided, however, that neither the Sponsor nor the Selling Agent will discriminate in the sale or lease of Units on the basis of race, creed, sex, color, disability, marital status, national origin or other ground proscribed by law. Units may be offered only to individuals over the age of eighteen (18) and to corporations and other entities that may legally own real Property in the State of New York.

Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the unconditional right to rent rather than sell the Units after consummation of the Plan. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium. Construction financing has not been firmly committed with a lending institution. In the event financing is obtained, the Plan will be amended to disclose the terms of the lender.

The By-Laws do not contain a requirement pursuant to which a majority of the Condominium Board must be owner-occupants of the building or members of an owner-occupant's household who are unrelated to Sponsor and/or its Principals, after the end of the Sponsor Board Control Period. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the condominium should be managed

because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

If the Sponsor makes a bulk sale of all or some of its unsold units (2 or more), the transferee successor Sponsor is bound by Sponsor's representation regarding its commitment to sell Units.

THE PRICES CONTAINED IN THE PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY GOVERNMENTAL AGENCY.

This Offering Plan – Part I and Part II - includes all Schedules and Parts A, B, C and D of the Exhibits constitutes the entire Offer of the Sponsor including all material terms, and copies of these will be available for inspection by prospective Purchasers without charge at the office of the Sponsor's Attorney, at the office of the selling agent or the Sponsor, and at the New York State Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005. The Plan and exhibits are also available for copying at a reasonable charge.

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

DEFINITIONS

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

1. Board of Managers: The governing body of the Condominium, being the group selected, authorized and directed to manage and operate the Condominium as provided by the New York Condominium Act, the Declaration and the By-Laws. The Board of Managers will manage and operate the building as provided by the New York Condominium Act, the Declaration and the By-Laws.
2. By-laws: shall mean the by-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.
3. Common Charges: Assessments by the Board of Managers upon the Unit Owners, in proportion to their respective interests in the Common Elements for the purpose of paying Common Expenses.
4. Common Elements: All that part of the Condominium Property or facilities servicing or benefiting all the Units comprising the Condominium, as defined in Section 339-e of the Condominium Act. The Common Elements include generally, and without limitation: (i) all parts of the building (other than the Units) including but not limited to the foundation and supports of the building; and (ii) all areas or facilities for the common use of all the Units and Unit Owner including the external walls, the Land, the yard area, as well as supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one Unit. Common Elements consist of all portions of the Condominium Property which are not designated as Units or parts thereof.
5. Closing Date: The date upon which fee title is conveyed to the Purchaser.
6. Common Expenses: Expenses for which Unit Owners shall be proportionately liable, and includes the actual and estimated expenses of operating the Property, assessments relating to repair, maintenance, replacements, management and operation of the Condominium, and reasonable reserves for such purposes as found and determined by the Board of Managers, and sums designated as Common Expenses by or pursuant to the Condominium Documents.
7. Common Interest: The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration.
8. Condominium Board: shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.
9. Condominium Property: The land described in the Declaration (see DECLARATION in Part II) which is subject to the Condominium Act by the Declaration, together with all improvements thereon and all easements, rights and appurtenances belonging thereto or

intended for the benefit thereof.

10. County Clerk's Office: shall mean the particular County Office of the Clerk of the County of New York, State of New York

11. Declaration: The instrument by which the Property is submitted to the provisions of the New York Condominium Act and that instrument as from time to time amended, consistent with the provisions of the New York Condominium Act and the By-Laws of the Condominium.

12. Equal or Better Quality: shall mean comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classifications, as applicable.

13. Floor Plans: shall mean the Floor Plans of the Units filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental Floor Plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and By-Laws and the Floor Plans.

14. Housing Merchant Implied Warranty: the warranty described in Article 36-B of the General Business Law for buyers of newly constructed condominium Units.

15. Interim Lease: a short term lease entered into between a Purchaser and the Sponsor that allows occupancy prior to the scheduled date of closing.

16. Interim Leasee: a Purchaser who occupies a Unit under an Interim Lease.

17. Limited Common Elements: Limited Common Elements generally are those Common Elements reserved for use and enjoyment by one or more Units. Examples are porches, decks, balconies and roof terraces. See Section "Introduction" for the Limited Common Elements in this Condominium.

18. Offering Plan (Plan): shall mean this Offering Plan for the establishment of condominium ownership for the Property, as the same may be amended from time to time.

19. Purchaser: Purchaser is the person(s) or entity(ies) named as a Purchaser of a Unit under a Purchase Agreement, which has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

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

21. Property: the Land described in the Declaration which is subject to the Condominium Act by the Declaration, together with all improvements thereon and all easements, rights and appurtenances belonging thereto or intended for the benefit thereof.

22. Property: the Land, the Building and the appurtenances thereto.
23. Rules and Regulations: shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.
24. Register's Office: the office of the clerk of the County of New York.
25. Sponsor: As used in New York State regulations pertaining to newly constructed and vacant condominium, the word "Sponsor" means "any person, partnership, joint venture, corporation, company, trust, association or other entity or agent thereof who makes or takes part in a public offering or sale in or from the State of New York of participation interests or investments in real estate including condominium interests in realty."
26. the Condominium: the Jumel Mansion Condominium, proposed to be created and organized as provided for in this Offering Plan , consisting of land, building, and appurtenances.
27. Unit: Any Unit designated as such in the Declaration of the Condominium and further described in the Floor Plans to be filed simultaneously with the Declaration. A Unit includes the area enclosed horizontally from the inside face of the sheetrock of the walls and partitions which separate the Units from the corridors, stairs and mechanical equipment spaces or other Units. Vertically, the Unit includes the unexposed side of the drywall ceiling to the underside of the Unit's finished flooring.
28. Unit Owner: The person or persons owning a Unit in fee simple absolute.

A complete set of definitions is set forth in Schedule C to the Declaration of the Condominium set forth in Part II of the Plan.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

This description of the Property and improvements is intended to provide a general outline of the land, building and Units. A more detailed description of the building and Property, including the Engineer's Report and Floor Plans is set forth in the DESCRIPTION OF PROPERTY, in Part II of the Plan.

The land is known by the street address 422 West 160th Street, New York, New York. There is one existing (1) building on the site currently under renovation consisting of a cellar, basement, and three stories. The building was built in the early 1900's and was used as a 4-family dwelling previously. The tenants leases were not renewed and thus the building was vacated in 2015. The existing building has been completely gutted and the inside of the building is new. In addition, the rear of the building has been expanded with approximately 11 feet. There will be four (4) residential units which are being offered for sale under the Plan which are vacant. There are no adjoining areas that are undeveloped. The Limited Common Elements in this Condominium consists of the rear yard to Unit 1, the storage rooms to Units 2, 3 and 4, and the roof terrace to Unit 4 as shown on the Schedule A and Floor Plans. Part of the cellar that is existing including the Common Areas and Limited Common Elements (storage rooms to Units 2, 3, and 4) have a low ceiling height of 6'-2" as reflected on the Plans and does meet with the minimum 7'-0" height required by code. The new rear portion basement which is part of Unit 1 does have ceiling height of 8' and complies with the Building Code. See the Engineer's Report and Floor Plans included in Part II for further details.

Sponsor is not providing a "No Dollar Limit" (NDL), manufacturer's warranty for the new roof. The absence of a NDL manufacturer's warranty may indicate that the roof membrane and appurtenances were not inspected for compliance with the manufacturer's specifications for installation. As such, premature deterioration, roof leaks and replacements of the roof membrane may be anticipated and Purchasers shall be responsible to bear the cost of same which is approximately \$2,000.00.

The Sponsor will manage the buildings superintendent to inspect any possible leaks in Apartment 3 and 4 every month to ensure that all drainage is functioning and in good working condition. If damage does occur, the Sponsor shall be responsible for all the losses by the Unit Owner and hire a licensed plumber to repair the defective drainage.

Sponsor is not providing for the Limited Common Elements allocated to Unit 4 a proper walking surface, instead there will be a deck finish with a built up waterproofing membrane exposed to the sky on the roof. The Sponsor recommends the Unit purchasers to install roof pavers in order to prevent damaging the waterproofing member which could be caused by accidental wear and tear and also to avoid issues related to manufacturer not providing any warranty.

The Property will be improved and the Units built in accordance with all applicable zoning and building laws, regulations, codes, and other government requirements including the installation of a smoke and carbon monoxide detector. Sponsor is providing new

appliances including a gas range, refrigerator, dishwasher, washer and dryer for each Unit. All equipment and fixtures described in the plan are included in the offering price.

The Dimensions of the Units shown on the Floor Plans reflect the approximate within reasonable tolerances exterior dimensions within reasonable tolerances of each Unit. Accordingly, they measure the approximate distance from the outer face of the outer wall of the building to the middle face of the wall separating the Unit from corridors, stairs, vestibules and other Units. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and may significantly exceed the actual usable floor area.

No Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area and/or installation which is designated on the Floor Plans as part of a Unit shall be considered as part of said Unit.

The Sponsor reserves the right to amend or modify such plans, specifications and description of Property (including changes in area, Floor Plans and allocation of space, changes in materials, and other construction details) and substitute in place of any materials and other construction details set forth herein or in DESCRIPTION OF PROPERTY in Part II of this Plan, materials and other construction details of Equal or Better Quality; provided that (i) 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; and (ii) 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. A decrease in area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. All references in this Plan to "Plans and Specifications" shall mean the aforesaid plans and specifications for the Building prepared by the Sponsor's Architects and Engineers as the same may have, from time to time, been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the provisions of this paragraph.

The Sponsor projects that the building and all of the Common Elements will be completed by April 1, 2020. However, Sponsor makes no warranty or guarantee that the buildings will be completed by said date.

LOCATION AND AREA INFORMATION

The building is located at 422 West 160th Street, in the Borough of Manhattan, County of New York, City and State of New York. The Property is located within Zoning District R-6 which permits residential use "as of right". The Property will be improved and the units constructed in accordance with all applicable zoning and building laws and requirements under the New York City Department of Buildings, Department of Air Resources. This is a highly developed area essentially residential in character, but served by a rich and diverse assortment of shopping, recreational, medical, religious, and educational facilities, as well as a network both of streets and roads, and urban transportation. There are public buses easily accessible serviced by the MTA New York City Transit. The MTA Smith 9th Street subway station is located approximately 1 mile away. There are no adjoining areas that are undeveloped. While condo sales are continuing on the subject Property, should there be a public announcement of the development of any project that will be adjacent to or directly across from the Property, such project shall be disclosed within thirty days after the information becomes known, in an amendment to the Plan. Neither Sponsor nor its principal own, in whole or part, or have an option or right to acquire, in whole or part, any other adjacent areas which are not fully developed.

Gas is supplied by Keyspan Energy and electricity is supplied by Consolidated Edison Company. Each Unit has its own gas meter and electric meter.

Water and sewer will be supplied by the City of New York and is metered collectively for the whole building.

Sanitation, snow removal and road maintenance of the public roads are provided for by the City of New York.

Lincoln Medical and Mental Health Center is located at 234 East 149th Street, Bronx, New York, approximately 3 miles away. The Harlem Hospital Center is located at 506 Lennox Avenue, New York, New York, approximately 2 miles away.

Public School 8 is located at 465 West 167th Street, New York, New York, and serves grades K-5. Middle School MS319 is located at 21 Junmel Place, New York, New York, and serves grades 6-8. All schools are located approximately within a mile of the Condominium. There are also many private and parochial schools in the area. Bronx Community College is located at 2179 University Avenue, Bronx, New York, approximately three miles away.

The area is protected by the New York City Police and Fire Department. The nearest fire station, Engine 84, is located at 513 West 161st Street, New York, New York, approximately ½ miles away. The nearest Police Station, 33rd Precinct Station, is located at 2207 Amsterdam Avenue, New York, New York, approximately ½ miles away.

SCHEDULE A
OFFERING PRICES AND RELATED INFORMATION
THE JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET, NEW YORK, NEW YORK

Year Projected to Begin April 1, 2020- March 31, 2021

UNIT NO.	NO. BED-ROOMS AND BATHS	LOCATION	SQ. FT (1)			OFFERING PRICE (2)	COMMON INTEREST (3)	PROJECTED COMMON CHARGES (4)		ESTIMATED REAL ESTATE TAXES (5)		PROJECTED TOTAL CARRYING COSTS (6)	
			habitable	un-inhabitable*				Monthly	Annual	Monthly	Annual	Monthly	Annual
1	0/5	Cellar Basement		363		\$999,000	31.53%	\$604	\$7,251	\$989	\$11,862	\$1,593	\$19,113
	2/2		986	635 r.y.									
	2/2.5			38 st.									
2	2/2	First	967	44 st.		\$879,000	23.14%	\$444	\$5,323	\$726	\$8,708	\$1,170	\$14,031
3	2/2	Second	1,021	44 st.		\$899,000	24.40%	\$468	\$5,613	\$765	\$9,181	\$1,233	\$14,794
4	1/1.5	Third	846	21 st.		\$879,000	20.93%	\$401	\$4,813	\$656	\$7,874	\$1,057	\$12,687
				196 r.t.									
Total	7/7 full, 2 half		3,820	978		\$3,656,000	100%	\$1,917	\$23,000	\$3,135	\$37,625	\$5,052	\$60,625

NOTE: ALL FIGURES HAVE BEEN ROUNDED TO THE NEAREST ONE

*THE UNINHABITABLE AREAS MAY NOT BE LEGALLY USED AS A BEDROOM OR LIVING ROOM AND TO DO MAY RESULT IN A BUILDING CODE VIOLATION BEING ISSUED FOR THE BUILDING. IT WILL BE THE RESPONSIBILITY OF THE UNIT OWNER WHO CAUSES THE VIOLATION TO PAY FOR AND CLEAR VIOLATIONS

r.y. denotes rear yard

st. denotes storage

r.t. denotes roof terrace

NOTES TO SCHEDULE A

"Offering Prices And Related Information" For Each Unit

- (1) Any floor plan or sketch shown to a prospective Purchaser is only an approximation within reasonable tolerance of the dimensions and layout of a Unit. The areas shown are approximate, within reasonable tolerances, exterior square footages of the units. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the Unit and may significantly exceed the actual usable floor area. The number of rooms in each Unit is computed in accordance with the New York State Building Code standards for habitable rooms. No living, cooking or sleeping permitted in Cellar, the yards or the roof terraces. The Limited Common Elements consist of the rear yard to Unit 1, the storage rooms to Units 2, 3 and 4 and the terrace to Unit 4.
- (2) Prices are negotiable. The Sponsor reserves the right to change the offering prices set forth in Schedule A. These offering prices, however, may only be changed by a duly filed amendment to this Plan when the change in price is an across the board change affecting one or more lines of Units or is to be advertised or is a price increase for an individual Purchaser. However, the prices for the Units are negotiable and the Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower from those set forth in Schedule A. See CHANGES IN PRICES AND UNITS and UNIT CLOSING COST AND ADJUSTMENTS" which discloses and explains the closing costs and adjustments that a Purchaser has to pay.

Sponsor reserves the right to negotiate with Purchasers all aspects of the purchase price of the Unit, including but not limited to: renovations or improvements to the units or the fixtures or equipment contained therein or credits or allowances therefor; amount of down payment; the terms of financing contingency in the event the Sponsor consents to permit the same; extension of period to secure financing; default clause; application of the interim lease rental payment towards the purchase price; payment of all or part of Purchaser 's closing or financing costs such as closing costs, attorneys' fees, origination fees, commitment fees and waiver or reduction of the attorney's fees set forth in the Offering Plan ; and any and all other costs relating to the cost of acquiring title to the Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms. Sponsor will amend the Plan to provide the disclosures regarding any terms of sale, as required by the regulations of the Office of the Attorney General.

In addition, prospective Purchasers will be required to pay at closing, among other things: (i) two (2) months' common charges to be used as working capital; (ii) New York City and State transfer taxes and New York City Mansion Tax; (iii) \$5,000.00 to defray Sponsors costs of creating the condominium and the application of tax benefits (iv) \$2,000.00 to the law office of Gary Horn, Esq., for the preparation of closing documents. See section CLOSING COSTS AND ADJUSTMENTS.

- (3) In accordance with Section 339-i(1)(iv) of the New York State Condominium Act, the Common Interests of each of the Units have been allocated 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.
- (4) 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 Common Elements. Common Charges exclude repair or decoration to the inside of the units, electricity and gas for each Unit and insurance for personal effects. A projection of estimated electricity for each Unit is set forth in Schedule B-1. If the Purchaser obtains financing, the Purchaser's debt service will be an additional expense. Common charges have been estimated by the Sponsor based on the estimated operating budgets annexed as Schedule B to this Plan.
- (5) After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City Property tax purposes. A Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other units. The anticipated date of completion of construction is April 1, 2020.

Calculations of Real Estate Taxes are arrived by applying the current tax rate to the estimated post-completion assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. Sponsor is not applying for real estate tax benefits and has been advised that the premises is not eligible for same. Based on an opinion letter dated October 23, 2018, from Metropolitan Realty Exemptions, Inc, 118 Middleton Street, Brooklyn, New York 11206. The assessed value used for calculation is the \$295,819.00 post-completion assessed value. The tax rate used for the calculation is 12.719%, resulting in the total real estate tax to be \$37,625.00, which is the current tax rate. Unit owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes. See TAX OPINION for more details.

Since no mortgage financing is offered by Sponsor, the only deductible item is real estate taxes. If a Purchaser obtains a mortgage loan, interest on such loan is deductible under current law. The projected amount deductible may vary in future years due to changes in the interest rate on the 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 in the method of assessing real property, or such other changes as may reasonably be expected to affect deductions.

The Internal Revenue Code of 1986, as amended by Public Law No. 115-97, limits the deductions of mortgage interest to mortgages incurred in acquiring, constructing or substantially improving the first and second residences of a taxpayer. The Tax Cuts

and Jobs Act of 2017 (Public Law No. 115-97) amends said code to limit the deduction to interest paid on acquisition indebtedness not to exceed \$750,000.00 for acquisitions occurring after December 31, 2017. Starting January 1, 2018, home equity indebtedness is not deductible whether incurred before or after December 31, 2017.

THE ABOVE IS NOT INTENDED TO BE A COMPLETE DISCUSSION OF ALL LIMITATIONS IMPOSED BY THE CODE, PARTICULARLY FOR INVESTORS. ALL PURCHASER S ARE ADVISED TO SEEK ADVICE FROM THEIR TAX CONSULTANTS CONCERNING TAX CONSEQUENCES OF PURCHASE OF A UNIT IN A CONDOMINIUM.

- (6) All projected total carrying charges are for the projected first year of operation beginning April 1, 2020. NOTE: Sponsor has not obtained, nor is it offering, permanent financing commitments to Purchaser s. Therefore, if a Purchaser obtains financing, debt service on such financing will be a monthly expense additional to the total charge listed.

SCHEDULE B

Projected Budget for First Year of Condominium Operations

JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET
New York, New York

Year Projected:
April 1, 2020- March 31, 2021

INCOME:

Common Charges:	\$23,000.00
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EXPENSES:

Salaries & Wages (1):	\$6,000.00
Management (2):	\$0.00
Gas (3):	\$400.00
Electricity (4):	\$900.00
Water & Sewer (5)	\$4,200.00
Repairs and Maintenance,	\$1,500.00
Services and Supplies (6)	\$500.00
Insurance (7):	\$4,200.00
Audit Fees(8):	\$1,500.00
Legal Fees (8):	\$0.00
Contingency (9):	\$1,500.00
Reserve Fund (10):	\$2,300.00
TOTAL	\$23,000.00

If the actual or anticipated date of commencement of condominium operation is to be delayed more than six months from the budget year projected in the offering plan, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by 25 percent or more, the sponsor must offer all purchasers the right to rescind and a reasonable period of time that is not less than 15 days after the date of presentation to exercise the right, whether or not sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or downpayment to purchasers who rescind within a reasonable period of time. Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

NOTES TO SCHEDULE B

“Projected Budget for First Year of Condominium Operation”

INCOME: COMMON CHARGES

This amount represents the total projected income necessary to operate the Condominium during the first fiscal year.

EXPENSES

1. Salaries and Wages

There is no requirement for any staffing or labor in the building, as such housing and labor laws regarding the level of staffing are not applicable, since this building does not consist of nine or more units and Section 27-2053 of the Administrative Code of the City of New York requires that the owner of a multiple dwelling of nine (9) or more units provide a janitor or janitorial services. It is anticipated that the Condominium will require no full time help. The budget includes an amount of \$100.00 weekly plus payroll taxes for one part time non-union employee.

2. Management

The Board will be responsible for managing the condominium, including, among others: writing checks, payment of bills, such as insurance premiums, repairs, etc. In the event that an outside managing agent is retained, the Common Charges will need to be increased. The prevailing fees are approximately 12% of annual common charges. During the Sponsor control period the Sponsor will manage the condominium for no fee.

3. Gas

This item includes the cost of gas used for heating the common areas. This is based on the estimated usage of 280 CCF a year at a cost of 1.35 for a CCF which includes a 10% factor for inflation.

Estimates were provided by letter dated October 14, 2018, from Adrey Management Corp., 1434 47th Street Brooklyn, New York.

The cost of gas to units is separately metered and electric charges will be paid by Unit Owners directly to the utility company. A projection is set forth in Schedule B-1.

4. Electricity.

This item includes the cost of electricity for lighting the common areas. This is based on the estimated usage of 3,000 KWH a year at a cost of .25 for a KWH which includes a 10% factor for inflation.

Estimates were provided by letter dated October 14, 2018, from Adrey Management Corp., 1434 47th Street Brooklyn, New York.

The cost of electricity to units is separately metered and electric charges will be paid by Unit Owners directly to the utility company. A projection is set forth in Schedule B-1.

5. Water and Sewer.

This item includes the cost of water and sewer for the entire building. Estimated water consumption for each Unit is approximately 220 hundred cubic feet annually at a cost of \$4.25 for a HCF. This yields an annual cost of \$ 4,200.00 which includes all applicable sales tax and a 10% inflation factor.

Estimates were provided by letter dated October 14, 2018, from Adrey Management Corp., 1434 47th Street Brooklyn, New York.

NOTE: The building will have only one water meter for all of its units. The plan provides that the budget charges (which include water and sewer charges as part of the common charges) are to be divided among the units in the building in proportion to percentage of Common Interest, even though the units may use water in a different proportion.

6. Repairs and Maintenance, Services and Supplies.

The projected amount does not include repairs, painting, maintenance, or supplies for the interior of the Units, all of which are the responsibility of the individual Unit Owners. Maintaining the grounds is the duty of the Condominium Board.

The budgeted figure for repairs and maintenance (\$1,500.00) is based on normal maintenance and repairs to the common elements of the building and its systems and equipment. The budgeted figure includes such items of regular maintenance as cleaning, painting, and minor mechanical, carpentry, or electrical work.

The budgeted figure for services and supplies (\$500.00) includes items expected to be consumed in the normal course of building operation, including light bulbs, cleaning supplies, paints and hardware items, and internet service.

Estimates were provided by letter dated October 14, 2018, from Adrey Management Corp., 1434 47th Street Brooklyn, New York.

No funds are being provided for future capital improvements. At the present time there are no maintenance contracts.

7. Insurance.

The following insurance is available for the Property for the first year of condominium operations as set forth in letter dated October 29, 2018, from HUB International Limited, a licensed insurance broker with an address at 777 Commerce Drive, Fairfield, Connecticut 06825:

Items Covered

Coverage Limits

All Risk Building-Replacement Cost	\$1,500.00
Deductible	\$1,000.00
General Liability	\$1,000,000.00/\$2,000,000.00
	Per occurrence/in aggregate
Projected Annual Premium	\$4,200.00

The coverage limits for the building are based upon the current replacement cost for the Building (excluding excavation and foundation) estimated by a licensed insurance broker which in his opinion is adequate so that the insured shall not be a co-insurer. The insurance coverage meets the requirements of any mortgage lender procured by the Sponsor. The following items are not included in the budget and may be available at extra cost: (i) officers' and directors' liability; (ii) water damage; (iii) fidelity insurance; (iv) auto liability; and (v) excess liability. The consequence of not having such additional insurance is that in the event of any claim or damage with regard to the above the Board may need to assess a special assessment to the Unit Owners to be able to pay for the claim and or damage. In order to safeguard the investment of its Unit Owners in the event of a substantial or total destruction of the Building, the Board of Managers should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage equals the Building's then replacement cost. The insurance coverage will meet the requirements of the Sponsor or any mortgage lender procured by the Sponsor. The policy shall contain a provision that the policy shall may not be either cancelled or substantially modified except upon at least thirty days' prior written notice to all of the insureds, including all Permitted Mortgagees.

The fire, casualty and general liability insurance will be on terms that provide: (1) that each Unit Owner is an insured party; (2) that there will be no cancellation without notice to the Board of Managers and the Unit Owners; (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. The condominium will have public liability insurance at closing.

This coverage does not include claims for personal injury or Property damage resulting from occurrences in a Unit, nor does it include coverage of the furniture or personal Property of Unit Owners. Therefore, each Unit Owner should consider the desirability of obtaining additional insurance at his or her own cost covering among other items (i) fire or casualty losses to the contents of his or her Unit and any replacements, additions, upgraded fixtures and improvements therein, (ii) personal Property, and (iii) liability for personal injury as a result of occurrences in the individual Unit. In the event of a loss, the claim is made payable to the named insured (the Board of Managers).

8. Audit Fees

The budgeted item (\$1,500.00) will be used for auditing fees in connection with the preparation of the first year's audited financial statements of the Condominium. The estimate is based on a letter dated November 2, 2018 from K&R CPA LLC, 18 Orchard Drive, Monsey, New York 10952.

Legal Fees

No allowance is provided for legal services. In the event the Board of Managers decides to engage an attorney the common charges will increase. The amount for legal fees will vary based on the services provided, i.e. filing a lien for unpaid Common Charges, foreclosure of a Unit, etc.

9. Contingency Fund

This item is to provide a fund for possible increases in one or more items of operating expense above the amounts projected or for unanticipated expenses. The budget may be modified from time to time prior to the commencement of, or during, condominium operation to add new items of expense or to increase one or more items of operating expense. The funds for such modifications may be provided by decreasing this budget item or by decreasing one or more items of expense, or both.

10. Reserve Fund

This budget item is to provide a fund for future capital replacements or repairs. This should be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of condominium operation. However, Sponsor makes no representation that the reserve fund will actually be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the reserve fund, it may be necessary for the Board of Managers to increase the common charges or issue a special assessment, however, the amount budgeted should be sufficient to pay for major capital repairs or replacement items likely to be needed within the first five years of condominium operation.

The foregoing schedule was prepared by Adrey Management Corp., 1434 47th Street Brooklyn, New York but is not intended and should not be taken as a guarantee by anyone that the annual common charges or expenses for the first year or any subsequent year of operation of the building by the board of managers will be as set forth in said schedule and it is likely that the actual annual common charges or expenses will vary from the actual amounts shown in the schedule.

The Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment concessionaire and other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the board of managers on the Closing Date. Any such new agreement which has the effect of materially increasing common charges by 25% or more or is binding on the board of managers for more than two years will be disclosed by a duly filed amendment to this plan. If the budget is increased by twenty-five percent (25%) or more, the Sponsor will offer all Purchaser the right for thirty (30) days following the presentation of such amendment within which to rescind their offer to purchase and have their down payments refunded within a reasonable period of time. Sponsor may not declare the Plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

SCHEDULE B-1

ENERGY COSTS FOR INDIVIDUAL UNITS

Projected Year:
April 1, 2020-March 31, 2021

UNIT	Estimated Electrical Usage (KWH @ .26)	Estimated Yearly Electrical Cost	Estimated Gas Usage (CCF @ 1.25	Estimated Yearly Gas Cost
1	6,400 KWH	\$1,665	1,350 CCF	\$1,685
2	6,400 KWH	\$1,665	1,350 CCF	\$1,685
3	6,400 KWH	\$1,665	1,350 CCF	\$1,685
4	5,900 KWH	\$1,535	1,280 CCF	\$1,600

NOTES TO SCHEDULE B-1

1. Each Unit Owner will be responsible for the costs of electricity supplied to his Unit. The building contains separate electric meters for each of the units. Charges for each Unit will be payable directly to the utility company.

2. The buildings will use natural gas for heating, hot water and cooking, and electricity for all other power needs. The estimated electricity costs are based on current Con Edison Utilities rates of \$0.25 per KWH. Electric costs include an additional annual \$125.00 basic charge and a 10% increase for inflation and/or rate changes.

Estimates were provided by letter dated October 14, 2018, from Adrey Management Corp., 1434 47th Street Brooklyn, New York, which letter is included as Exhibit B in the Exhibit to the Plan.

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

Although the architect and the Sponsor believe that the foregoing is accurate, no warranty or guaranty is being made by Sponsor, the architect, the managing agent, or any other person or entity as to what the separately metered electricity, gas and water and sewer costs may be.

KUNSTLINGER LAW FIRM LLC

ATTORNEYS AT LAW

777 CHESTNUT RIDGE ROAD
SUITE 202

CHESTNUT RIDGE, NY 10977

TEL: (845) 689-2400

FAX: (845) 689-2401

COMPLIANCE WITH REAL PROPERTY LAW § 339-i

October 29, 2018

RE: Jumel Mansion Condominium
422 West 160th Street
New York, New York 10032

Dear Sir:

I am the attorney representing the Sponsor of this Offering Plan. I am not the selling agent or managing agent for this Property. I am familiar with condominium units in the area. I have been involved in sale of real estate including condominiums for over ten years. I have reviewed and prepared many condominium Offering Plan s and I have consulted with other sponsors as to the allocation of their interests in the common elements.

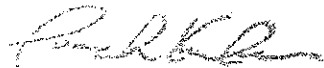
The method selected for calculating the percentage of Common Interests in the condominium pursuant to Real Property Law Section 339-i(1) is subparagraph (iv), which provides that:

"the Common Interests of each of the Units have been allocated 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"

This opinion is based on the fact that I am familiar with condominium Units in the area and have been involved in the sale of real estate including condominiums for over ten years, I have prepared numerous condominium Offering Plans, and I have consulted with and advised other sponsors as to the allocation of their interests in the Common Elements.

The factual basis of calculating the percentage of Common Interest consists of the size, layout, and location within the premises of each individual Unit. Based on our review of the foregoing factors, we have concluded that the proposed allocation of Common Interest to individual units is in compliance with Section 339-(i)(1)(iv) of the New York State Real Property Law.

Very truly yours,



Joseph Kunstlinger

CHANGES IN PRICES AND UNITS

The offering prices set forth in Schedule A of the Offering Plan may be changed only by a duly filed amendment to the Plan when the change in price is: (i) an across-the-board increase or decrease affecting one (1) or more lines of units or Unit models; (ii) is to be advertised; (iii) is a price increase for an individual Purchaser. However, the prices for the Unit is negotiable and the Sponsor may enter into an agreement with a Purchaser to sell the Unit at a price lower from those set forth in Schedule A without filing an amendment.

In order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size of Unsold Units by altering the boundary walls of any Unsold Unit(s), or otherwise, including, without limitation, the use of any portion(s) of the Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not required to be maintained as Common Elements pursuant to the terms of the By-Laws. Subject to the terms of the last paragraph of this section, such right may be exercised by Sponsor from time to time, both before and after the First Closing, without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner, or any mortgagee. However, Sponsor shall first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law and no changes may be made in the size or number of units and/or their percentage of Common Interest and no material change will be made in the size or quality of Common Elements without an amendment to the plan and when applicable, the Declaration.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit be changed, unless reflected in a duly recorded amendment to the Declaration. Sponsor must obtain the consent of all affected purchasers or owners before making a material change to the size or quality of the Common Elements. As more particularly provided in the Declaration and the Plan, Sponsor or its designee, as the Owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners, or any mortgagee consenting to, or executing, such amendment.

No change of a Unit's Common Interest will be made without obtaining the prior consent of all affected Unit Owners. In addition, no change will be made in the Unit size, layout or Common Interest of any Unit for which a Purchase Agreement is in effect without obtaining the prior written consent of the Purchaser thereof. Additionally, no material change will be made in the size or layout and no material adverse change will be made in the quality of the Common Elements unless all Purchasers who have signed Purchase Agreements have consented thereto. A decrease in area of 5% or less could be material. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. One of the material change to the layout shall be any change which does not allow the same use and access as deemed in the original plans. Therefore, Sponsor must first obtain consent of all Purchasers who have signed Purchase

Agreements and all affected Unit Owners before amending the Declaration to reflect such change.

INTERIM LEASES TO PURCHASERS

The Sponsor-Seller reserves the right to rent or lease vacant Units to Purchasers both prior to and after consummation of the Plan. The Sponsor-Seller reserves the right to rent or lease vacant Units to any other individual or entity that is not purchasing a Unit, only after Plan consummation, but all Units will be delivered vacant by the Sponsor unless the Purchaser has entered into an interim lease. Under no terms will a Purchaser or lease be permitted nor required to move in without a certificate of occupancy which is kept current. However, once a vacant Unit is sold, and so long as the Purchase Agreement is in effect, it may only be leased to the Purchaser of such Unit. No Purchaser shall have the right to occupy the Unit purchased by him prior to the closing unless Sponsor-Seller agrees to permit such occupancy under an interim lease. It is possible that Sponsor-Seller will condition the sale of a vacant Unit upon the Purchaser entering into an interim lease. These Units are not subject to rent stabilization or rent protection laws. The general form of a lease is set forth as Exhibit B to the Purchase Agreement in Part II of the Plan. The term of such lease shall be subject to negotiation. In the event of any inconsistency or conflict between the provisions of the Interim Lease and those contained in the Plan, the provisions of the Plan shall govern and be binding.

If Sponsor-Seller elects to lease a Unit the lease will be for such rent and other terms as may be mutually agreed upon. Such lease will provide that an uncured default by the Purchaser under his Purchase Agreement will constitute a default under the lease entitling the landlord (i.e., Sponsor-Seller), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event the Purchaser fails to cure a default under his lease within the applicable grace period (if any) and Purchaser has vacated the Unit. Before the Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. The interim lessee will have thirty (30) days to vacate the Unit after a default under the Purchase Agreement. Sponsor must make written demand for payment at least thirty (30) days before forfeiture of the deposit may be declared. Purchaser must get thirty day notice before his or her deposit is forfeited.

If the Purchaser becomes the tenant or actually occupies the Unit before the closing of title thereto pursuant to an interim lease and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured.

If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon,

within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations.

PROCEDURE TO PURCHASE

Persons desiring to purchase the Unit will be required to execute a Purchase Agreement in the form set forth as in Part II of the Plan. Purchaser must deliver all of the above documents to the Selling Agent, together with a check for the down payment payable to the order of "Gary Horn, as Attorney". The down payment shall be 10% of the purchase price and is subject to negotiation; however, in no event shall the down payment be less than \$5,000.00. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by the prospective Purchaser and his or her legal or financial representative before being executed.

The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Prospective Purchasers who intend to obtain financing for the purpose of making full payment as required by the Purchase Agreement are advised that they must make their own arrangements in this regard and that in the event they fail to obtain such financing or otherwise raise sufficient funds in time to satisfy the requirements of the Purchase Agreement, they will not be relieved of their obligations thereunder and may, therefore, lose their deposit as provided in the Purchase Agreement. Prospective Purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement to ascertain the likelihood of obtaining financing. No representation is made by the Sponsor as to the availability or cost of such financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. No representation is made by the Sponsor as to the availability or cost of such financing.

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

However, Sponsor shall determine, at its sole option, whether to include in the Purchase Agreement a mortgage financing contingency clause. If Sponsor elects to do so, Purchaser shall have thirty (30) days after Purchaser's receipt of the fully executed Purchase Agreement to secure a mortgage loan commitment at the then prevailing interest rate. In the event no such financing is furnished, the Purchase Agreement may be declared null and void by either party by

written notice to the other postmarked or delivered within five (5) days subsequent to such 30-day period. In such event, the contract deposit shall be returned to Purchaser. If such notice is not sent within such five-day period, the financing contingency clause shall be deemed waived. If waived, the failure to obtain financing or otherwise raise sufficient funds in time to satisfy the requirements of the Purchase Agreement, will not be relieved of their obligations hereunder and may, therefore, lose their deposit as provided in the Purchase Agreement. However, if the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to Purchaser a right of rescission and a reasonable period of time to exercise the right. Note that under New York law, when a mortgage contingency is not fulfilled through no fault of Purchaser, performance is excused and Purchaser's down payment will be refunded upon notice from Purchaser to terminate the Purchase Agreement. Sponsor may not condition Purchaser's obligations upon obtaining a commitment. If Purchaser acts in good faith and lender revokes commitment after contingency period expires, performance is excused and Purchaser's down payment will be refunded.

Notwithstanding anything to the contrary contained in this Plan or in the Purchase Agreement, Sponsor shall have no obligation to make the Purchase Agreement contingent upon financing or secure a mortgage loan for Purchaser.

A Purchaser seeking financing will be responsible for all fees and costs imposed by the lender, including (but not limited to) appraisal and origination fees (if any). It is possible that a Purchaser's financing commitment may expire prior to the Closing and Purchaser will incur additional costs.

Purchasers shall have at least three (3) business days to review the Plan and all filed amendments prior to executing a Purchase Agreement. Failure to provide Purchaser s with three (3) business days to review the Plan and all filed amendments will result in an offer of rescission.

Within twenty (20) days after the Purchaser delivers an executed Purchase Agreement together with the required deposit, the Sponsor will either accept the Purchase Agreement and return a fully executed counterpart to the Purchaser, or if not returned within such time, the Purchase Agreement will be deemed rejected and all monies submitted with such Purchase Agreement will be returned to such prospective Purchaser within five (5) business days, without interest. Sponsor may reject any Purchase Agreement without cause or explanation so long as such rejection is not based upon race, creed, sex, color, disability, marital status, national origin or other grounds prohibited by law.

Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. Purchasers may use their own real estate agent, however, Purchaser shall be responsible for any commission due to his agent.

After the Plan is declared effective, Sponsor will give each Purchaser not less than thirty

(30) days' prior written notice of the date, time and place for the transfer of title to his or her Unit. TIME IS OF THE ESSENCE to close on such date. Such notice will be served in compliance with 13 NYCRR Section 20.1(d)(1) of no less than thirty (30) days before the date set for the closing of the units. Purchaser at his option may waive this thirty (30) day notice provision.

There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in an addendum to this Agreement or separate agreement).

At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign an Inspection and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit.

At title closing, such Purchaser shall pay the balance of the Purchase Price stated in the Purchase Agreement by his or her unendorsed certified personal check or by official cashier's check drawn on a New York bank, a member of the New York Clearing House Association.

At title closing, Purchaser shall also be required to execute a Unit Owner's Power of Attorney to the Board of Managers of the Condominium in order to close. Failure to do so is a default under the Purchase Agreement.

Risk of loss from fire or other casualty or damage to the Units, Commons Elements and Limited Common Elements remains with the Sponsor until title has passed unless and until the Purchaser is given the right of possession of that Unit pursuant to a written agreement with Sponsor. If the Purchaser becomes the tenant or actually occupies the Unit before the closing of title thereto pursuant to an interim lease or other interim rental agreement and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the units or such Purchaser's guests, invitees, or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured.

In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing, and Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his Unit, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The

interest rate shall be twelve percent (12 %) per annum. This rate shall be in effect for as long as there is any unpaid amounts owing towards the full purchase price.

The Sponsor anticipates that the first closing of a Unit will occur by April 1, 2020. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than March 31, 2021, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for the first closing, Purchasers who enter into Purchase Agreements after the amendment is accepted for filing will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date. Sponsor will amend the Plan to offer all Purchasers the right for not less than fifteen (15) days following the presentation of such amendment within which to rescind their offer to Purchaser. Sponsor will return any deposit or down payment to Purchasers who rescind within ten (10) days of the receipt of written notice of rescission.

However, if the first Unit closing occurs before April 1, 2021, the Sponsor may schedule the closings of title to their Units significantly later than such date. Unless your Purchase Agreement contains an outside Closing Date, the Sponsor is not obligated to schedule your closing within any specified time frame or to ensure that closing of title to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

The Plan (including, without limitation, the Condominium Documents contained in Part II of the Plan) and any amendments thereto duly filed by Sponsor are incorporated into each Purchase Agreement by reference. The execution and submission of a Purchase Agreement constitutes Purchaser's acceptance of the Plan (Parts I and II) and his or her agreement to abide and be bound by the terms of the same, as well as all amendments to the Plan duly filed by Sponsor. No Purchaser shall have the right to approve or consent to any such amendments, including, without limitation, any changes, modifications, or updating of the estimated Common Charges or estimated real estate taxes and assessments to be paid by the Purchaser on Schedule B -- "Budget for First Year of Condominium Operation" and no such immaterial amendment will excuse a Purchaser from performing his or her obligations under a Purchase Agreement or, except as expressly provided in the Plan or pursuant to the regulations of the New York State Attorney General's Office, entitle such Purchaser to any credit or offset against the purchase price set forth therein. If there is a material amendment to the Offering Plan that adversely affects the Purchasers, Sponsor must grant Purchasers a right of rescission. Purchasers will be given the right to rescind their Purchase Agreements by notifying Sponsor within fifteen (15) days of presentation of such amendment and will receive a refund of their Down Payments, without interest (unless interest is earned), within ten (10) days after Sponsor's receipt of Purchaser's election to rescind. In the case of abandonment, Sponsor may condition the return of deposit to interim lessees upon their vacating the apartment. Funds shall be returned to Purchasers together with interest, if any, within five (5) days after the amendment abandoning the plan has been accepted for filing by the Department of Law. However, in the case of a material adverse amendment, Sponsor may return any deposit or down payment to Purchasers

who request rescission before such amendment.

The Sponsor shall comply with the escrow and trust fund requirements of GBL § 352-e(2-b) and GBL § 352-h and the regulations set forth in the NYCRR Part 20, and all funds paid by Purchasers shall be handled in accordance with these statutes and regulations.

The Escrow Agent:

The law firm of Gary Horn, Esq, whose address is 100 Merrick Road, Rockville Centre, New York, and whose telephone number is (516) 248-0002, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Gary Horn. 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.

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

The Escrow Account:

The Escrow Agent has established the escrow account at Quantic Bank, located at 31-05 Broadway, Astoria, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Gary Horn Escrow Account, Jumel Mansion Condominium, ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposits that a Purchaser has at the IOLA account bank will be included in the calculation of the \$250,000 limit and any amount exceeding this limit will not be covered by the FDIC. This account is an IOLA (Interest on Lawyer's Account) account pursuant to Judiciary Law Section 497 and there is no interest accruing to either the buyer or seller. The reason such account is permissible pursuant to Judiciary Law Section 497 4 (a) and (b) is that the monies received are expected to be held for a short period of time. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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

All Deposits made by Purchaser prior to closing will be placed, within five (5) business days after the Agreement is signed by all necessary parties, in a segregated special Escrow Account. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance with the terms of the Purchase Agreement.

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement which incorporate the terms of the Escrow Agreement which provide that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, unless the plan is not consummated, in the event a purchaser is entitled to rescission, the purchaser will not receive a refund of any funds used for upgrades or extras. However, if the plan is abandoned Unit upgrade funds will be returned to the Purchaser. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account.

No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

If the escrow agent is replaced or funds are transferred to a new account, the plan will be amended to provide the same full disclosure with respect to the new account, escrow agent and escrow agreement as was originally provided. No transfer of funds or change of escrow agent will be made until such amendment is accepted for filing by the Department of Law. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

The Purchase Agreement:

The Purchase Agreement is attached hereto as Exhibit A in Part II of the Plan. The relevant escrow trust fund provisions are included in Paragraph 4 of the Purchase Agreement, which must be executed by the Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days of the placing the deposit in the Escrow Account, the Escrow Agent shall notify the Purchaser and Sponsor that such funds have been placed in the Bank by providing written notice to Purchaser, confirming the deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit, if any. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 10005. Rescission shall not be afforded where proof satisfactory to the

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

Release of Funds:

All Deposits, except for advances made for upgrades, extras, or custom work received in connection with the Purchase Agreement, are and shall continue to be the Purchaser's money, and may not be combined with any other money or pledged or hypothecated by Sponsor, as per GBL § 352-h. Such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, unless the plan is not consummated, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. However, if the plan is abandoned Unit upgrade funds will be returned to the Purchaser.

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

Waiver Void:

Any provision of any Purchase Agreement or separate agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding any Deposit in trust is absolutely void. The provisions of the Attorney General's regulations and GBL §§ 352-e(2-b) and 352-h concerning escrow trust funds shall prevail over any conflicting or inconsistent provisions in the Escrow Agreement, 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 § 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such Purchaser. Consummation of the plan does not relieve Sponsor of its obligations pursuant to GBL § 352-h. Funds from any 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.

The escrow agent will maintain all records concerning the escrow account for seven years after the release of funds. Upon dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make arrangements for the maintenance of these records by the successor firm and shall notify the Department of Law of such transfer.

The Sponsor does not intend to avail itself of the available alternatives to the escrow account, which generally require that the Sponsor apply to the Attorney General to use security in the form of surety or a letter of credit in lieu of escrow of such funds for use in newly constructed or gut rehabilitated developments upon showing of adequate insurance of such funds to the satisfaction of the Attorney General.

In the event that the Sponsor wishes to avail itself of the alternatives to the escrow account, Sponsor must first send an application to the Department of Law and once approved it will submit an amendment setting forth the terms of such alternate security and the form of surety bond or letter of credit which will be used to secure the down payment funds. All of the provisions will comply with Section 71-a(3)(b) of the Lien Law and will be in accordance with the Attorney General's Regulations.

In the event that a Purchaser defaults in paying the balance of the Purchase Price on the date scheduled by Sponsor for closing title to his or her Unit; or defaults in performing some other obligation under the Purchase Agreement Sponsor will send written notice to such Purchaser specifying the nature of the default, the Sponsor's sole remedy is to cancel the Purchase Agreement by sending thirty (30) days' written notice to such Purchaser. If such Purchaser shall fail to cure such default within the said thirty (30) day period, Sponsor shall retain, as and for liquidated damages the full amount of the down payment (the "Liquidated Sum"). In addition, any actual cost incurred by Sponsor for any special work ordered by Purchaser may also be retained as liquidated damages. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE THIRTY (30) DAY PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days after Sponsor gives written notice to the Purchaser, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. Any payments received by Sponsor in excess of the Liquidated Sum, together with any interest earned on such excess payments, if any, shall be refunded to the Purchaser with reasonable promptness after cancellation. The Sponsor may not seek specific performance of the Purchase Agreement.

In the event a Purchase Agreement is cancelled, both the Sponsor and the Purchaser shall be relieved of all further obligations and liabilities thereunder and under the Plan, and the Sponsor shall be free to sell the Unit to another as though such Purchase Agreement had never been made and without accounting to the Purchaser for the proceeds received on such sale.

Any conflict between the Plan and the Purchase Agreement shall be resolved according to the terms of the Plan. Acceptance by Purchaser of the deed will constitute Purchaser's acceptance and acknowledgement of the full performance by Sponsor of, and the discharge of Sponsor from all obligations under the Purchase Agreement, except those obligations expressly stated to survive or to be performed prior to delivery of the deed and all obligations of the Sponsor under law. The Purchase Agreement and the plan may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law. Sponsor will not discharge liability or to terminate the continuing effect of representations in the Offering Plan upon an event such as the closing or the delivery of the deed.

If the Purchaser becomes the tenant, or actually occupies the Unit before the closing of title thereto pursuant to an interim lease or other interim rental agreement and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. Purchaser should confer with her/her insurance advisor regarding obtaining proper Property and liability insurance to cover a loss to the Unit and to Purchaser's Property within the Unit which is not covered under the existing insurance policy. No Purchaser shall have the right to occupy a Unit purchased by him prior to the closing of title unless Sponsor agrees to permit such occupancy under an interim lease or other written agreement. See section

"INTERIM LEASES".

In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the Units in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform his obligations under the Offering Plan) the sole remedy of the Purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest plus the cost of title searches, if any.

Except as set forth above, all other risk of loss or damage prior to Closing is assumed by Sponsor, but Sponsor shall not be obligated or liable to repair the damage. The Sponsor will make a determination whether or not to repair damages within thirty (30) days after casualty. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with any interest earned thereon. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect; Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the purchase price; Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement; and Purchaser shall not be required to pay the balance of the purchase price unless and until (i) the Unit has been repaired in compliance with the Offering Plan and the repairs done with equal quality or in better condition than immediately prior to the casualty, (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of the tenant to cure or that are caused by the act or omission of the tenant. Sponsor will remove subsequent to closing all violations of record it is obligated to correct.

Financial Crimes Enforcement Network ("FinCEN") 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 located in the Boroughs of Bronx, Brooklyn, Queens, Bronx, Staten Island, or Manhattan in New York City, New York; (3) the total purchase price is in excess of \$300,000.00; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, or a funds transfer, or virtual currency. As long as the Geographic Targeting Order (GTO) issued by FinCEN remains in effect, its reporting requirements apply to all residential real property closings. See Section PROCEDURE TO PURCHASE for further details.

Arbitration.

Any matter or issue that may be resolved by arbitration pursuant to New York State law, between the Sponsor and a Purchaser concerning any unresolved disputes or conflicts as well as

the disposition of escrowed funds, or between the Sponsor and a Unit Owner or between the Sponsor and the Board, or if there is a deadlock in any matter, must be submitted to arbitration for resolution by a single arbitrator, and must be mutually agreed upon, who shall be neutral and independent of any parties involved, in a proceeding in New York County or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association ("AAA") or any successor organization thereto within thirty (30) days of the dispute. In the event that the AAA shall not then be in existence and has no successor organization, any such arbitration shall be held in New York County before a mutually selected arbitrator pursuant to mutually agreed upon rules and procedures. The cost shall be equally shared by the parties involved. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. The parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed.

Arbitration awards are generally final and binding, and a party's ability to have a court reverse or modify an arbitration award is very limited. The arbitrators may not have to explain the reason for their award. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. New York law does not authorize the filing of notice of pendency based on ongoing arbitration proceedings, unlike litigation. In the case of a dispute of a deposit, the deposit shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award. If the Purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the funds must remain in escrow until the proceeding is finally adjudicated.

Nothing contained in this paragraph shall be construed to preclude any Purchaser's rights under Article 23-A of the GBL. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision or award rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction. The arbitration requirement does not affect Purchaser's or Unit Owner's rights under 23-A of the General Business Law or the regulations promulgated thereunder.

ASSIGNMENT OF PURCHASE AGREEMENTS

The Purchase Agreement is not assignable without the consent of the Sponsor. Within five (5) business days after the Purchaser's request to Sponsor to approve an assignment, Sponsor shall notify Purchaser of its decision to either approve or deny this request. If approved, Purchaser shall sign and return a fully executed assignment of contract to the Sponsor within three (3) business days after Sponsor's approval, or if not returned within such time, the assignment request will be deemed abandoned. Sponsor may grant such consent or withheld such consent in its sole discretion for any reason. Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. Purchaser shall pay a fee of \$250.00 if such request is granted.

EFFECTIVE DATE

The offer to sell the Units under this Plan is contingent upon the Plan's being declared effective in accordance with the provisions set forth below.

The Plan shall be declared effective by personal service of the Notice of Effectiveness on every purchaser; or by commencement of service by mail of the Notice of Effectiveness addressed to the Offeree at the last known residence of such Offeree as set forth in Title 13 of the NYCRR Section 20.1(d). The Notice of Effectiveness shall state that the plan was declared effective on a particular date, the percentage used to declare the plan effective, and a list of Units being counted to meet the minimum percentage under the terms of the plan to declare it effective. The closing of the first Unit shall not occur until the plan is declared effective. A closing may occur without the Sponsor's submitting an amendment to the Department of Law to declare the plan effective; however, the Sponsor must comply with the requirements of Section 20.5(e) of Title 13 NYCRR Part 20 when submitting a post-closing amendment pursuant to section 20.5(f) of said Part 20.

The Plan may not be declared effective unless bonafide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units offered under the Plan (1 Unit). Notwithstanding the fact that not all Purchasers used for purposes of declaring the plan effective may actually close, Sponsor will re-declare the Plan effective if all Purchase Agreements are either rescinded or terminated prior to the date of the first Unit closing, regardless of whether the condominium Declaration has been recorded.

The count of Purchase Agreements towards the minimum number for effectiveness shall not include those

- (a) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or
- (b) if the Purchaser did not have three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement; or
- (c) with any Purchaser who is the Sponsor, the Selling Agent, or the managing agent, or is a principal of the Sponsor, the Selling Agent, or the managing agent, or is related to the Sponsor, the Selling Agent or the managing agent or any principal of the Sponsor, 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 a Sponsor or a principal of the Sponsor, may be included in the count if the Sponsor has submitted proof satisfactory to the Department of Law establishing that such Purchaser is bona fide.

The Plan must be declared effective when Purchase Agreements have been accepted by Sponsor for 80 % (4 Units) of the Units offered under the Plan.

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

- (a) defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount; or
- (b) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount; or
- (c) the taking of any material portion of the Property in condemnation proceedings or be eminent domain.

Any amount relied upon as a basis for abandonment after effectiveness excludes attorney fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the Sponsor or caused by Sponsor or are a matter of public record.

Subsequent to the First Closing, this Plan may not be withdrawn or abandoned unless at least eighty percent (80%) of the Unit Owners vote to terminate the Condominium. See RIGHTS AND OBLIGATIONS OF UNIT OWNERS for further details.

The Sponsor may, at its option, declare the Plan abandoned for any reason whatsoever before it is declared effective. If this Plan is withdrawn or abandoned, and Sponsor has accepted Purchase Agreements, Sponsor shall promptly submit an amendment to the Office of the Attorney General together with form RS-3 as promulgated by the Office of the Attorney General and shall refund all moneys received from Purchasers within five (5) days after the acceptance of said amendment. If there are no outstanding Purchase Agreements, Sponsor need not file an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the Sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1(d) of Title 13 of the NYCRR.

TERMS OF SALE

1. At closing the Sponsor will deliver to the Purchaser a Bargain and Sale Deed with covenant against grantor's acts, conveying title to such Unit to Purchaser subject only to the title conditions set forth in Exhibit A to the Purchase Agreement. The Deed will be substantially in the form set forth in Part II of the Plan. There shall be no escrow held for punch list items, which are incomplete items of construction of finishes which Sponsor remains liable for. Purchaser will be obligated to pay all taxes due including the New York City and State transfer taxes. See CLOSING COSTS for more details.

2. Prior to closing Sponsor assumes the risk of loss from fire or other casualty unless the Purchaser becomes the tenant or the occupant of the Unit before the closing of title thereto pursuant to an interim lease or other interim rental agreement, and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. The Sponsor will make a determination whether or not to repair damages within thirty (30) days after casualty. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with interest earned thereon, if any, unless Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum) will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacements.

3. There is a permanent certificate of occupancy which was issued July 23, 2015. Sponsor has an open building permit to rehab the building and enlarge the 3 stories at rear with no change in the number of dwellings. The Sponsor will not be obtaining a new certificate of occupancy as it is not required. However, prior to the first Unit closing, Sponsor will obtain a certificate of completion from the Department of Buildings for the renovation work performed at the property upon completion of the renovations. No funds must be escrowed to obtain the certificate of completion. Sponsor anticipates receiving same by April 1, 2020. Sponsor will disclose in the post-closing amendment the date when the certificate of completion was issued.

4. Sponsor's obligations shall be to provide Purchaser with title free and clear of all liens from any reputable title insurance company. Purchaser may accept such title, or any other title as any member of the New York Board of Title Underwriters. Title to each Unit and its

appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the plan and the proposed deed. The title company will affirmatively insure that none of the easements, covenants and agreements affecting title will affect the use of the premises as a condominium. Title exceptions include the following:

- i. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.
- ii. State of facts which an accurate surveyor personal inspection of the Land would show, provided such facts would not prevent the use of the Unit for dwelling purposes and does not render title uninsurable.
- iii. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all set forth in the Declaration, the By-Laws, the Power of Attorney from Purchaser to the Condominium Board and Sponsor and the Floor Plans, all as may be amended from time to time.
- iv. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or street on which the Land may abut.
- v. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.
- vi. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Condominium Board).
- vii. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or Property abutting the Property and the rights of governmental authorities and adjoining Property owners to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.
- viii. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.
- ix. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.
- x. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at closing).
- xi. Any encumbrance as to which the title insurance company which insures Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

- xii. Any lease covering the Unit.
- xiii. Easements in favor of adjoining Units in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Units or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, make by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid in favor of all other Units. In addition, each Unit shall have, and shall be subject to easements of subjacent support and necessity in favor of such Unit or in favor of the other Units and the Common Elements.
- xiv. All covenants, restrictions, reservations, agreements and easements of record which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling or commercial purposes, as the case may be, nor prevent the existence of the promised structure.
- xv. Certificate of Occupancy to be issued covering the Unit if required.
- xvi. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct.
- xvii. Any other Declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any laws, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other Declaration or other instrument affecting the Property which is not already disclosed herein.
- xviii. Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling or commercial purposes, as the case may be subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.
- xix. Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Purchaser's title to the Unit.
- xx. The terms, provisions and conditions of the Plan.

5. All personal Property located within the Unit on the date of closing or located within the Common Elements on the date the Declaration of Condominium is filed, that is owned by the Sponsor or the owner of the Property, is included in the conveyance unless specifically excepted in the Offering Plan.

6. The Declaration of Condominium, By-Laws and floor plans for the condominium and such other documents as required by law, will be recorded or filed prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or applicable state and local law in the Office of the Clerk of New York County.

7. If existing mortgages or construction loans encumbering the Property will not be satisfied at or prior to closing of the first Unit, each mortgagee will, at the time of the conveyance of the first Unit, either consent to the formation of a Condominium, and acknowledge that its lien will be limited to Unsold Condominium Units; or subordinate the lien of its mortgage to the Declaration of the Condominium; or, release its lien upon the Condominium Unit being conveyed, and its interest in the Common Elements.

UNIT CLOSING COSTS AND ADJUSTMENTS

As set forth in the Purchase Agreement, the Purchaser will pay the following estimated closing costs at the time of Closing of Title for the Purchaser's Unit. There will be no adjustments between the Sponsor and the Board. These estimates are based on current costs and charges, which are subject to change:

1. At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the earlier of the (i) day preceding the Closing Date; or (ii) date in the notice to close: (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and escrows for real estate taxes, if any; and (ii) rent and other charges, if any, pursuant to a lease for, or tenancy of, such Unit; (iii) if prepaid, condominium insurance from the date of closing until the policy anniversary; and (iv) Common Charges for the month in which title closes.

If a Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (the "Scheduled Closing Date") the closing apportionments will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

2. If such Purchaser elects to obtain fee title insurance, he or she will pay a premium therefor to his or her title insurance company which will vary depending upon the amount of insurance requested. Purchaser may use the title insurance company of his/her choice without incurring additional fees from Sponsor. The premium for fee title insurance, should be \$774.00 for the first \$100,000.00 of fee insurance plus \$4.36 for each \$1,000.00 or fraction thereof of additional fee insurance up to \$500,000.00 and \$3.98 for each \$1,000.00 or fraction thereof up to \$1,000,000.00. Purchasers are free to use the title insurance company of their choosing without incurring a penalty. Sponsor makes no representation that such rates will not increase before any Unit closing. In addition, Purchaser may choose to purchase a "market value rider" to their standard title insurance policy. With this rider, the maximum coverage provided under the policy will be the fair market value of the property instead of the original purchase price.

3. An estimated \$230.00 recording fee for the deed and approximately \$100.00 for recording the power of attorney. An estimated fee of \$200.00 for preparation of ACRIS documents.

4. Purchaser shall be obligated to pay a fee of \$5,000.00 to Sponsor to reimburse the Sponsor's cost in creating the Condominium, e.g, architectural costs, filing fees, legal fees.

5. If Purchaser obtains a mortgage loan, Purchaser will pay:

- (a) a fee and service charge for recording the mortgage at approximately \$280.00;
 - (b) Purchasers will pay a portion of the mortgage recording tax in the amount provided for by law (at the date of the Plan, the tax to the Purchaser is 2.05 % of the face amount of the mortgage for mortgages under \$500,000.00 and 2.125% of the face amount of the mortgage for mortgage over \$500,000.00 of which the lender shall pay its portion of .25%). Purchaser will also pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.
 - (c) Purchasers will pay a premium for the mortgage title insurance policy. Said premium should be \$654.00 for the first \$100,000.00 of fee insurance plus \$3.64 for each \$1,000.00 or fraction thereof of additional fee insurance up to \$500,000.00 and \$3.31 for each \$1,000.00 or fraction thereof up to \$1,000,000.00. A Simultaneous mortgage policy is available when owners and mortgage policies are purchased simultaneously which is charged at 30% of the applicable mortgage rate up to the amount of the owners policy. Any excess is charges at the full mortgage rate.
 - (d) all costs and expenses in connection with such loan in amounts determined by the lender, *i.e.*, application, points, credit report, survey, appraisal, bank's attorney's fees, etc. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.
6. Although it is the Seller's statutory obligation to pay transfer taxes, Purchaser shall pay for the New York City Transfer Tax (currently \$1.00 per \$100.00, or fractional portion thereof of the purchase price up to \$500,000.00 and \$1.425 per \$100.00 for purchase prices \$500,000.00 or higher) and the New York State Transfer Tax (currently \$2.00 per \$500.00, or fractional portion thereof of the purchase price) imposed by statute on transferors of Property. For purposes of transfer taxes, consideration includes the transfer taxes paid by the Purchaser. If applicable, Purchaser shall pay the New York City Mansion Tax (currently 1% of the purchase price for purchases higher than \$1,000,000.00).
7. Purchaser will be required to deposit with the Board of Managers two (2) times the estimated monthly Common Charges for his Unit to be used as working capital.
8. Purchaser shall be obligated to pay \$2,000.00 to Gary Horn, Esq., Sponsor's attorney, for services rendered in connection with the preparation of documents.
9. All legal costs, fees and expenses by the Purchaser's Attorney will be the sole responsibility of each Purchaser.

All fees are cumulative to the extent applicable to an individual Purchaser. If, for example, a Unit has a purchase price of \$879,000.00, a mortgage of \$703,200.00 the following closing costs are estimated:

Owner's policy:	\$3,423.00
Loan policy:	\$836.00
Market value rider(optional):	\$342.30
Residential Endorsement:	\$75.00
Condominium Endorsement:	\$25.00
NY City & State transfer tax:	\$12,704.24
Mortgage Tax:	\$13,506.60
Mansion Tax	
Legal fee to Sponsor's attorney:	\$2,000.00
Deed & Power of Attorney	\$330.00
Recording:	
Mortgage recording:	\$280.00
ACRIS	\$200.00
Condominium Creation	
Reimbursement to Sponsor:	\$5,000.00
2 months' estimated common charges:	\$804.00
TOTAL	\$39,526.14

The aforementioned costs are only estimates and are subject to change without notice, provided, however, in the event on any substantial change to such closing expenses, Sponsor, shall file an amendment to the plan disclosing the same.

In the event that Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, the Sponsor will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the six (6) month period following the Unit closing. Sponsor will distribute its share for unsold Units once taxes become due. Sponsor shall place said amount collected in escrow in the name of the Board of Managers. Sponsor shall contribute its share for unsold Units once taxes become due. 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.

RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's intention is to sell the Units, and Sponsor will endeavor in good faith to sell the Units, however, Sponsor has reserved the unconditional right to rent rather than sell the Units after consummation of the Plan. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent, which is one Unit, necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium. Construction financing has not been firmly committed with a lending institution. In the event financing is obtained, the Plan will be amended to disclose the terms of the lender.

2. Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Board of Managers and the Unit Owners.

3. All representations under the Offering Plan, all obligations pursuant to the 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 agrees to pay all Common Charges, special assessments and real estate taxes with respect to unsold units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. Such obligations shall be funded through the rentals and sales of unsold units and from other funds of the Sponsor. No bond or other security has been posted to secure Sponsor's obligations.

5. The Sponsor will cause the Board of Managers to maintain the Property in substantially the same condition and manner as on the date of first closing until the Sponsor no longer controls the Board of Managers.

6. If the Purchaser is or becomes the tenant or the occupant of the Unit before the closing of title thereto, pursuant to an interim lease or other interim rental agreement and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage to the extent said damage is not paid for under the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. The Sponsor will make a determination whether or not to repair such damage within thirty (30) days after casualty. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be cancelled and be of no further force or effect. Thereafter, the Purchaser will be refunded all purchase monies paid to Sponsor with interest earned thereon, if any, unless Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum) will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have

the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacements.

7. Sponsor shall procure fire and casualty insurance in an amount sufficient to avoid co-insurance, as reflected in Schedule B.

8. In the event of dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of units in the condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations and in the event of dissolution or liquidation, the principals of the Sponsor shall guarantee the performance of such obligations.

9. Sponsor is obligated to build and complete the Condominium in accordance with the building plans and specifications identified in the plan and will, at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete the Building and its appurtenances in accordance with the "plans and specifications" (as hereinafter defined) and with a quality of construction comparable to currently prevailing local standards and in accordance with all applicable codes and regulations.

All references in this Plan to "plans and specifications" shall mean the plans and specifications for the Building filed with the City of New York, and other appropriate governmental authorities (some of which are summarized in DESCRIPTION OF PROPERTY AND SPECIFICATION in Part II of the Plan), as the same may be amended or changed from time to time in accordance with the provisions of the following sentence. Sponsor will promptly amend the Plan as the result of any such changes to the Plan that said changes are subject to Purchasers' rights under applicable law. Sponsor reserves the right to amend or modify from time to time said plans and specifications (including, without limitation, changes in layouts and designs or changes affecting the materials, appliances, equipment, fixtures and other construction details) and to substitute materials, appliances, equipment and fixtures in place of those described in the plans and specifications, provided such substitutions are of equal or better quality and design. All the foregoing amendments, modifications and changes to the plans and specifications may be made without prior notice or amendment to this Plan.

The Sponsor reserves the right to make changes or substitutions of materials or construction for items as set forth in the Offering Plan, or Building Plan, provided any such changes are of equal or better value and quality, however, the Sponsor may not substitute equipment or materials of lesser quality or design. Sponsor may not make changes or substitutions of materials or construction for Purchasers who paid for special orders without such Purchaser's prior consent. Where no such consent is obtained, such Purchaser shall have the right to rescind the special order and receive a refund of the additional amount paid for such special order.

No material change will be made in the size or layout and no material adverse change will be made in the quality of the Common Elements unless all Purchasers who have signed Purchase Agreements have consented thereto. Therefore, Sponsor must first obtain consent of all Purchasers who have signed Purchase Agreements and all affected Unit Owners before amending the Declaration to reflect such change.

Sponsor will not be obligated to correct and will not be liable to any Unit Purchaser as a result of: (i) any immaterial variations from filed building plans or the description of the Building set forth in the Plan which are neither in violation of applicable building codes nor require the approval of any governmental authority having jurisdiction or which are necessitated by site conditions or job requirements, or (ii) immaterial variations in the dimensions or arrangement of rooms, walls or other areas within Units, provided (A) such variations are of Equal or Better Quality and design than that originally set forth in said plans or description, and (B) Sponsor shall not change the size, location of building or Units or other improvements or Common Elements if such changes affect the Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all Unit Owners and contract vendees affected by such change consent in writing to such change. A decrease in area of 5% or less will not affect a Purchaser's obligations unless such decrease is determined to be a material change. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. One of the material changes to the layout shall be any change which does not allow the same use and access as deemed in the original plans. The foregoing shall not change Sponsor's obligations to complete construction of the Building, including the Units, with materials of Equal or Better Quality and design than those set forth in the Plan. See "Housing Merchant Implied Warranty", below.

10. There is a permanent certificate of occupancy which was issued July 23, 2015. Sponsor has an open building permit to rehab the building and enlarge the 3 stories at rear with no change in the number of dwellings. The Sponsor will not be obtaining a new certificate since it is not required. However, prior to the first unit closing, Sponsor will obtain a certificate of completion from the Department of Buildings for the renovation work performed at the property upon completion of the renovations. No funds must be escrowed to obtain the certificate of completion. Sponsor anticipates receiving same by April 1, 2020. Sponsor will disclose in the post-closing amendment the date when the certificate of completion was issued.

11. Under Article 36-B of the General Business Law buyers of newly constructed condominium Units which are five stories or less are granted certain warranties under the "Housing Merchant Implied Warranty". The full text of the law is set forth in Part II. Sponsor has elected to limit the Housing Merchant Implied Warranty not to exceed \$25,000.00 and as set forth below. The limited warranty, however, cannot permit construction which is below code or below locally accepted Building practices, and the limited warranty time periods cannot be shorter than those describe below.

Coverage shall commence on the Warranty Date.

Coverage:

(i) For one (1) year, the home must be free from defects caused by workmanship or materials that do not meet the standards of the applicable Building code; for items not covered by code, the construction must be in accordance with locally accepted Building practices.

(ii) For two (2) years, the plumbing, electrical, heating, cooling and ventilation systems must be free from defects caused by unskillful installation.

(iii) For six (6) years, the home must be free from physical defects in the structural elements (foundation, floors, walls, roof framing).

The foregoing also applies to the Common Elements.

Not covered:

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

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

Limitation of the Warranty: The limitations are described below:

a. no steps taken by Seller to correct a defect shall act to extend the warranty period;

b. Seller accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect;

c. except as otherwise provided by law, these warranties are extended to you as Purchaser and are not extended to any subsequent Purchaser and mortgage lender who takes possession of the Home;

d. these warranties shall be void if Purchasers misuses, abuses or otherwise interferes with or changes Seller's original construction or installations;

e. Seller is not responsible for any work or material ordered directly by Purchaser from Seller's subcontractors or suppliers;

f. in no event shall the Seller be responsible for the partial or total death of any trees, shrubs, bushes or other landscape improvements, if any, damage to walkways or other concrete areas caused by the application of salt or de-icers, nail pops, ridging, normal lumber shrinkage, normal settlement or any consequential damage resulting therefrom, normal plumbing and heating noises or carpet stretching, normal settlement cracks on concrete foundation, patios, sidewalks and other flat work, basement leaks resulting from acts of G-d or alteration of landscaping or grading, leakage resulting from "ice dams" forming on roofs, spalling or flaking

of concrete surfaces if ice melting compounds have been used, scuffing on kitchen cabinets or vanities, minor chips (nicks) to Formica, cultured marble floors, tops, tubs, edges and surfaces, shading variations of the exterior siding staining (on the face surface of grooves), and shading variations on fascias from staining. Subsequent to the conveyance of title to a Home, the seller shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or Formica chips and scratches in tubs, vanities or countertops; and

Notice: Buyers must give notice of defects in their home in writing no later than thirty (30) days after the end of the warranty period. The Sponsor shall not be liable for consequential and indirect damages.

Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, and unless the existence of mold, mildew, spores fungi, or other toxins occurs within six (6) months or earlier of the Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could not be discovered within twelve (12) months of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew, spores, fungi, or other toxins. There is no warranty as to view or light quality. Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the Sponsor's disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

The Sponsor is not providing any other warranties or guarantees with respect to the Units or Common Elements, other than those provided for in the Housing Merchant Implied Warranty discussed above and set forth in Part II of the Plan.

Subsequent to the date a Unit Owner is given possession to, or closing of title of, his Unit, Sponsor shall not be responsible for immaterial conditions, such as paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, mars, breaks, or other blemishes in the following: windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, saddles, wood flooring, appliances, woodwork and doors. The Purchaser will have the right to inspect the Unit upon notice from the Selling Agent, which notice shall be given at least ten (10) days before the closing date, for any defects prior to taking possession. See the Purchase Agreement annexed in Part II of the Plan.

Except as set forth in this paragraph 11, the Sponsor makes no undertaking or warranty and shall not be obligated to correct or repair any immaterial conditions in the Building, including (without limitation) the Units, the Common Elements and the Building systems, appliances and all other installations, apparatus, fixtures and appurtenances. Notwithstanding anything to the contrary contained in the Plan, the Sponsor has an absolute duty to construct the premises in accordance with all applicable codes and filed plans and specifications.

Nothing contained in this paragraph 13 or elsewhere in the Plan shall be construed to

render Sponsor liable for consequential damages, where the applicable statute or regulation does not impose such liability, (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligation hereunder shall be to repair or replace (at Sponsor's option) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material at immaterial variance with the plans and specifications or Property damage proximately caused by the condition as provided for in the Housing Merchant Implied Warranty), subject to the terms and conditions (and within the time limits) set forth in this paragraph 13 and elsewhere herein. However, in the event of any inconsistency or conflict between this paragraph and those contained in Section 13 NYCRR §20.3(t)(4), (which provides that "disclaimers or limitations or liability on the part of the Sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation may not be included. The plan may not include any financial limitation on Sponsor's liability for failure to perform its obligations under the offering plan") then the provisions of Section 13 of the NYCRR §20.3(t)(4) shall govern.

The foregoing undertakings set forth the entire obligations of Sponsor hereunder with respect to completion of construction and no other warranties or undertakings shall be implied other than those provided for under the Housing Merchant Implied Warranty discussed above and set forth in Part II of the Plan. The foregoing shall not be intended to waive or diminish the rights of Unit Owners with respect to the Sponsor's failure to comply with its obligations under the plan.

The provisions of this Warranty shall survive the delivery of the deed.

See Exhibit B to the Purchase Agreement for a copy of the warranty agreement and claim form.

12. Subsequent to the date a Unit Owner is given possession to, or closing of title of, his Unit, Sponsor shall not be responsible for immaterial conditions, such as paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches, mars, breaks, or other blemishes in the following: windows, sliding glass doors, screens, electric fixtures, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, saddles, wood flooring, appliances, woodwork and doors. The Purchaser will have the right to inspect the Unit for any defects prior to taking possession. See the Purchase Agreement annexed in Part II of the Plan.

Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, and unless the existence of mold, mildew, spores fungi, or other toxins occurs within six (6) months or earlier of the Closing (unless there is a latent defect due to faulty construction by Sponsor so that mold could not be discovered within twelve (12) months of Closing), and is caused by faulty construction by Sponsor, Sponsor will not be liable to Purchaser with respect to the presence and/or existence of molds, mildew, spores, fungi, or other toxins. There is no warranty as to view or light quality. In no event will Sponsor be liable for incidental or consequential damages, provided that this is not in violation of the regulation and the Martin Act.

Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

Except as set forth in this paragraph 12, the Sponsor makes no undertaking or warranty and shall not be obligated to correct or repair any other conditions in the Building, including (without limitation) the Units, the Common Elements and the Building systems, appliances and all other installations, apparatus, fixtures and appurtenances. Notwithstanding anything to the contrary contained in the Plan, the Sponsor has an absolute duty to construct the premises in accordance with all applicable codes and filed plans and specifications.

Nothing contained in this paragraph 12 or elsewhere in the Plan shall be construed to render Sponsor liable for consequential damages, where the applicable statute or regulation does not impose such liability, (whether based on negligence, breach of contract, warranty, or otherwise), it being intended that Sponsor's sole obligation hereunder shall be to repair or replace (at Sponsor's option) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material at variance with the plans and specifications or Property damage proximately caused by the condition as provided for in the Housing Merchant Implied Warranty), subject to the terms and conditions (and within the time limits) set forth in this paragraph 12 and elsewhere herein. However, in the event of any inconsistency or conflict between this paragraph and those contained in Section 13 NYCRR §20.3(t)(4), then the provisions of Section 13 NYCRR §20.3(t)(4) shall govern.

13. Prior to the closing of a Unit, Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

14. Sponsor agrees to pay for the authorized and proper work involved in the construction, establishment and sale of the condominium that Sponsor is obligated to complete under the plan and shall cause all mechanic's liens with respect to such construction to be promptly discharged or bonded.

15. The Sponsor will deliver a set of "as-built" plans to the Board of Managers.

16. No bond or other security has been furnished to secure Sponsor's obligations including Sponsor obligations to complete construction of the condominium.

17. Sponsor and its contractors, subcontractors, agents and employees will have a right of reasonable access to each Unit and its appurtenant Limited Common Elements and to all of the Common Elements and to all of the Common Elements for purposes of completing construction of the Building or performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided (i) Sponsor repairs any

resulting damage to the Unit and restores it to substantially the condition it was in prior to Sponsor's entry and (ii) Sponsor provides reasonable prior notice to the Owner of the Unit to which access is required. Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the unconditional right to rent rather than sell the Units. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium.

18. If Sponsor makes a bulk sale of all or some of its unsold units, the transferee successor Sponsor is bound by Sponsor's representation.

Except for Sponsor's obligations to pay Common Charges and to perform other duties as a Unit Owner with respect to any Unsold Units (for so long as Sponsor owns same), the foregoing sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Units under their respective Purchase Agreements. Sponsor makes no warranties other than as set forth in this section. The obligations of Sponsor under this section shall survive the delivery of the deeds to the respective Units. Sponsor shall not be liable for, or obligated to defend, any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such Unit or the leasing thereof to any Purchaser or, with respect to the General Common Elements or Limited Common Elements, arising out of any occurrence taking place on or after the date of the First Closing, except suits or claims arising out of the acts or omissions of Sponsor or the representations made by Sponsor in this Plan. This Plan does not include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Nothing contained herein will be in derogation of the rights of Purchasers under Article 23-A of the General Business Law or under the Plan.

Sponsor agrees to indemnify the Condominium Board and Unit Owners and hold them harmless from, and defend on their behalf, any suits or claims arising out of acts or omissions of Sponsor or the representations made by Sponsor in this Plan (i) with respect to the General Common Elements or Limited Common Elements and (ii) with respect to any Unit.

The construction obligations of the Sponsor under this section shall survive the transfer of the Units to the Unit Owners until the expiration of the periods heretofore set forth. All obligations of the Sponsor under this section with respect to the Condominium, the General Common Elements or the Limited Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners. In no event shall any obligations of Sponsor be enforceable by individual Unit Owners unless the Condominium Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of written notice of such claim by any Unit Owner to the Condominium Board or the applicable statute of limitations. Since it is the right of the Board to enforce Sponsor construction and other obligations, as long as Sponsor controls the Board, the Board member designated by the Unit Owners shall have the right to enforce any claims regarding the construction and other obligations of the Sponsor. If there are non-Sponsor members of the Board and there is a vote on whether to sue the Sponsor, Sponsor's Board representative cannot lawfully vote on that

issue. Unit Owners are able to bring individual breach of contract claims.

In the event there is a dissolution or liquidation of the Sponsor or the transfer of all of the units, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations.

CONTROL BY SPONSOR

Sponsor will maintain control of the Board of Managers of the Condominium either for the first two (2) years from the date of the first closing, or for as long as Sponsor owns one Unit, whichever is less. During the period of Initial Control, the Sponsor shall designate a majority of the Board Members which would be two (2) of the three (3) Members and the remaining Board Member shall be elected by the other Unit Owners. After the initial two (2) year period, the Sponsor shall have the same right to vote as all other Unit Owners and no additional voting rights. Within thirty (30) days of the earlier of expiration of the initial control period the Sponsor will call a special meeting of the Unit Owners to elect a new Board of Managers who will be elected based on the plurality of the votes. Each and every Unit Owner, including the Sponsor shall have a right to cast one (1) vote for each percentage of interest owned.

Under the Condominium By-Laws, set forth in Part II of the Plan, until the first sale of a Unit, the initial two (2) member Board of Managers shall be designated by the Sponsor. Within six (6) months of the first closing, a meeting will be held to elect a new Condominium Board consisting of three (3) Board Members. At such time, the Sponsor shall designate two (2) of the three (3) Board Members, who shall serve for a period of two (2) years. The other Board Member shall be elected by the other Unit Owner, for a term of one (1) year. Elections for this seat on the Condominium Board shall be held annually. After the initial period of Sponsor control, the term of office of each of the three (3) board members shall be one (1) year.

During Sponsor Control, any Board member designated by the Sponsor may be removed for cause by the Unit Owners and replaced by the Sponsor. At any regular or special meeting of Unit Owners after the initial control period of the Sponsor, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, provided notice of such proposed removal was given to the Board member and was specified in the notice of the meeting. Any member of the Board of Managers whose removal has been proposed shall be given an opportunity to be heard at the meeting. Officers may be removed at any meeting of the Board. No members of the Board of Managers will receive any compensation from the Condominium for acting as such.

The Sponsor may not exercise veto power over expenses described in Schedule B, 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 work order by an insurer; or
- (iv) any condition requiring repair or replacement immediately necessary for preservation or safety of the building or for the health and safety of the occupants of the buildings or required to avoid the suspension of services.

The Sponsor may exercise veto power over expenses other than those described above, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner.

As long as the Sponsor or its designee shall own at least one (1) Unit, but in no event later than three (3) years after closing of title to the first Unit, the Board of Managers may not, without the prior written consent of the Sponsor or its designee, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund (however, Sponsor will not unreasonably withhold consent to additions to the contingency fund provided for in Schedule B to the extent assessments are necessary to make expenditures required by law), (iii) increase the number or change the type of employees from that described in Schedule B set forth in the Plan; (iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph (iii) above; or (v) borrow money on behalf of the Condominium (except where any matter necessary to perform work required by law or required by an insurance carrier to the extent that existing reserves are insufficient). Any provisions that give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. If there are non-sponsor members of the board, and there is a vote on whether to sue the Sponsor, the Sponsor's board representative cannot lawfully vote on that issue.

The By-Laws do not contain a requirement pursuant to which a majority of the Condominium Board must be owners who are occupants (owner-occupants) of the building or members of an owner-occupant's household who are unrelated to Sponsor and/or its Principals after Sponsor Control Period ends. Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Plan. Owner-occupants unrelated to Sponsor may never gain control of the condominium Board. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home as opposed to as an investment.

BOARD OF MANAGERS

The Board of Managers

The affairs of the building of the Condominium shall be governed by the three-member Condominium Board, which shall consist initially of two (2) members designated by the Sponsor until the first meeting to elect a three (3) member Board of which two (2) members will be elected by the Sponsor and one (1) member will be elected by the Unit Owner. The anticipated first members of the Board are Steven Schnall and Howard Lev, principals of the Sponsor. Each member of the Board shall have one (1) vote. The first meeting to elect Board members will take place within six (6) months of the first closing and thereafter, annual meetings of the Unit Owners shall be held within sixty (60) days of the anniversary date of the first meeting.

The term of office of each member of the Condominium Board shall continue for one (1) year. The by-laws do not include a provision that a majority of board members must be a Unit Owner-Occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board. Notwithstanding anything to the contrary, however, each Condominium Board shall serve until a successor Board is elected and qualified.

There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve. In addition, special meetings of Unit Owners may be held from time to time, pursuant to the By-Laws, whenever necessary for the affairs of the Condominium.

2. The officers of the Condominium shall consist of the President, the Secretary and the Treasurer. The Condominium Board may also appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All officers shall serve without compensation from the Condominium. At least two (2) officers must be members of the Condominium Board and Unit Owners (or officers, directors, partners, employees, beneficiaries (or members of their family) of corporations, partnerships, fiduciaries, or mortgagees that are Unit Owner Occupants). Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose.

3. The members of the Condominium Board will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual members will be liable for their own bad faith, willful misconduct or gross negligence.

Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building, shall state (if obtainable) that (a) it is made only as agent for all Unit Owners, and the members of the Condominium Board or such officer, superintendent, or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners), and (b) the

liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) such Unit Owner's interest in his or her Unit and its appurtenant Common Interest, unless otherwise provided by law.

All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith, willful misconduct or gross negligence of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interests of such Unit Owner bear to the aggregate Common Interests of all Unit Owners; and (ii) such Unit Owner's interest in his or her Unit and its appurtenant Common Interest, unless otherwise provided by law.

There is no provision for insurance covering indemnification of the Board of Managers. It is at the discretion of the Condominium Board to obtain such coverage, the cost of which will be borne by the Unit Owners as a Common Expense.

4. All members of the Condominium Board shall serve without compensation.

5. Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose. While the Sponsor is in control, the Board may not be prohibited from removing members for cause. After the initial control period, a Board member may be removed by a majority of the Unit Owners with or without cause.

6. When votes of the Unit Owners are required, each Unit Owner shall exercise his vote in the manner set forth in the By-Laws, which provides as follows: Each Unit Owner shall cast one (1) vote for each percentage of interest owned. In Board elections, Unit Owners shall be entitled to cumulate their votes and cast all of such votes for a single director or distribute them among the number to be voted for, or any two or more of them, as he may see fit. Board Members shall be elected by a majority of the votes cast at a meeting at which a quorum shall be present.

As stated in the By-Laws, Article 4.5, the presence, in person or by proxy, of a 2/3 majority of all Unit Owners shall constitute a quorum at all meetings of Unit Owners, and unless otherwise provided, the decision of a majority of the Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners.

7. Generally, subject to certain exceptions and provided that any required consent of the Mortgage Representatives is obtained, any provision of the Declaration, the By-Laws, or the Rules and Regulations may be amended, modified, added to or deleted by the affirmative vote of 75% of the Unit Owners in number and percentage of interest, taken in accordance with the By-Laws. However, for so long as Sponsor or its

designee is the owner of one (1) or more Units in the entire Condominium, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect Sponsor or such designee without the prior written consent of every Unit Owner affected by such amendment.

8. The Condominium Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

9. Arbitration

Any matter or issue that may be resolved by arbitration pursuant to New York State law between the Sponsor and the Board, or between Board Members concerning any unresolved disputes or conflicts as well as, or if there is a deadlock in any matter, must be submitted to arbitration for resolution by a single arbitrator, who shall be neutral and independent of any parties involved, and must be mutually agreed upon, in a proceeding in New York County or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association ("AAA") or any successor organization thereto with thirty (30) days of the dispute. In the event that the AAA shall not then be in existence and has no successor organization, any such arbitration shall be held in New York County before a mutually selected arbitrator pursuant to mutually agreed upon rules and procedures. The cost shall be equally shared by the parties involved. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. Arbitration awards are generally final and binding, and a party's ability to have a court reverse or modify an arbitration award is very limited. The arbitrators may not have to explain the reason for their award. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. New York law does not authorize the filing of notice of pendency based on ongoing arbitration proceedings, unlike litigation. Nothing contained in this paragraph shall be construed to preclude any Unit Owner's rights under Article 23-A of the GBL or the regulations promulgated thereunder.

The Condominium Board shall follow the directions of the Arbitrators. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision or award rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of

competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction.

See Section Procedure to Purchase for details on disputes regarding the Purchase Agreement.

RIGHTS & OBLIGATIONS OF UNIT OWNERS & BOARD OF MANAGERS

1. Sales and Leases of Units, Right of First Refusal

Each owner of a Unit (other than Sponsor or its designee with respect to Unsold Units) may sell or lease his or her Unit; provided, however, that such owner ("Offeree Unit Owner") first gives the Condominium Board written notice of his or her intention to do so, which notice shall be accompanied by a fully executed copy of the contract of sale or lease, as the case may be, containing all of the terms offered in good faith by the prospective Purchaser or lessee. The specific terms of the lease entered into by Unit Owners, are not subject to applicable state or local law.

The Condominium Board, on behalf of the remaining Unit Owners, shall have the exclusive right to purchase the Unit within fifteen (15) business days after receipt of such notice of sale, or to lease the Unit within fifteen (15) business days after receipt of such notice of lease, on the same terms set forth in said contract or lease, all as more specifically set forth in Article 7 of the By-Laws. The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law. If the Condominium Board does not notify the Unit Owners of its election to purchase or lease the Unit within fifteen (15) business days, such Unit Owner will have sixty (60) days thereafter to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to such notice, failing which the Unit Owner will again be required to offer the same right of first refusal to the Condominium Board as provided above.

The Condominium Board may not exercise its option to purchase or lease any Unit unless those Unit Owners owning a majority of the aggregate Common Interests of all Units affirmatively vote in favor thereof, in person or by proxy, at a meeting of Unit Owners at which a quorum is present. Acquisitions of Units by the Condominium Board, or its designee, on behalf of all Unit Owners, may be made from the working capital and reserve fund, or if such fund are insufficient, the Condominium Board may assess each Unit Owner (other than the selling Unit Owner), in proportion to his or her Common Interests, an amount necessary to effectuate the purchase or lease. The Unit will be used for its legal use and any rent collected will be used to maintain the Unit and to defray the operating expenses of the building. Each one of the Unit Owners may request that the Board of Managers offer the Unit for sale through a broker. In the event such Unit is sold, the proceeds will be distributed to the Unit Owners in proportion to the amount of funds each Unit Owner provided towards the purchase of the Unit. In the alternative, the majority of the Unit Owners present at a special meeting may designate one of the Unit Owners to purchase the Unit being offered for sale and it will be the responsibility of such Unit Owner to raise the funds to purchase the Unit. The Unit will be used in such manner as any other Unit may be used.

Notwithstanding the foregoing, any Unit Owner may sell or lease his or her Unit to his or her spouse, adult child, grandchildren, parent, grandparent, parent-in-law, or

adult sibling, or may convey his or her Unit by gift, devise it by will, or have it pass by intestacy to the aforementioned persons, without complying with the restrictions described above; provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, such restrictions.

The foregoing restrictions upon the sale and lease of Units shall not apply to Sponsor or its designee with respect to any Unsold Units or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure; they shall be free to sell or lease without first offering to sell or lease to the Condominium Board. The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or any other grounds prohibited by law.

Each conveyance of a Unit by a Unit Owner shall include, as part of the Property to be conveyed, such Unit Owner's Common Interest; undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and undivided interest in any other assets of the Condominium.

In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, in the form set forth in Part II of the Plan, in accordance with Article 14 of the Declaration.

2. Mortgages of Units

Each Unit Owner has the right to mortgage his or her Unit, provided that, with respect to Units other than the Unsold Units, the conditions with respect thereto set forth in Article 8 of the By- Laws are first complied with. As more fully set forth in said Article 8, these conditions include the requirements that:

(a) no Unit Owner (including Sponsor) shall be permitted to mortgage, pledge or hypothecate his or her Unit unless and until he or she shall have paid in full to the Condominium Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit;

(b) no Unit (including Sponsor) Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein so that at all times, all of the Units' interests in the Condominium shall remain unsevered.

(c) any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan;

(d) The Condominium Board is notified in writing of the making of such mortgage by a Unit Owner (including Sponsor) and is given a copy thereof.

Sponsor or its designee, as the owner of Unsold Units, shall have the right to mortgage the Unsold Units without any restriction or limitation, except that the Condominium Board is required to be notified in writing of the making of such mortgage and is to be given a copy thereof.

3. Common Charges and Assessment

The Condominium Board will commence to collect the Common Charges upon the closing of title to the first Unit. Furthermore the Condominium Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium. Such Common Expenses will include, among other things:

(a) all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements;

(b) water charges and sewer rents in connection with the Building (unless the same are separately assessed to individual Units);

(c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and

(d) amounts for such other items as the Condominium Board may deem proper (such as amounts for reserves, capital expenditures and [subject to the provisions of applicable tax law] to make up deficits for prior years, to prepay indebtedness of the Condominium, or to purchase or lease Units). The approval of all Unit Owners shall approve in writing or by vote at a duly constituted meeting called for such purpose shall be required to establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding ten percent of the budgeted operating expenses for the ensuing twelve months of operation unless the Condominium Board has determined that the funds in the reserve are to be used to perform items required by law, to remedy any notice of violation or work order by an insurer, or otherwise necessary for the health and safety of Unit Owners.

Based upon such budget, the Condominium Board will promptly determine and advise each Unit Owner of the Common Charges payable by such Unit Owner during the

ensuing fiscal year, which Common Charges shall represent a portion of the projected Common Expenses of the Condominium assessed to such Unit Owner pro-rated according to the Common Interest of his or her Unit.

Pursuant to the terms of Article 6 of the By-Laws, the Condominium Board has the right to revise its projection of the Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount Common Charges payable by Unit Owners prior to the date of such new determination.

Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance. No Unit Owner will be relieved from liability for the payment of his or her Common Charges by waiving the use of any of the Common Elements or by mere abandonment of his or her Units. No Unit Owner, however will be liable for the payment of any part of the Common Charges assessed against his or her Units subsequent to a permissible sale and transfer, or other conveyance by him or her of such Unit.

Any Unit Owner may, by conveying his or her Unit, without consideration, to the Condominium Board and complying with certain conditions set forth in the By-Laws in connection therewith, exempt himself or herself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his or her Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages and any statutory lien for unpaid Common Charges. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless:

(a) the aggregate Common Interests appertaining to the Unsold Units constitutes fifteen (15 %) percent or less of the total Common Interests appertaining to all Units;

(b) at least five (5) years have elapsed since the First Closing; and

(c) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to two (2) months' Common Charges (i.e., the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by two (2)).

On a resale of any Unit, the Purchaser of such Unit shall be required to pay unpaid Common Charges assessed against such Unit prior to his or her acquisition, except that a mortgagee acquiring title to a mortgaged Unit or a Purchaser at a mortgage foreclosure sale shall not be liable, and such mortgaged Unit shall not be subject to, a lien for the payment of any Common Charges assessed subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by the mortgagee or a Purchaser at a mortgage foreclosure sale and such assessments shall be the liability of the owner of the Unit at the time of the assessments. In the event that the Condominium Board forecloses

its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale shall not be sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or Purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of such unpaid Common Charges. The Condominium Board shall have the right to assess such unpaid balance amongst all those who are Unit Owners at the time that the same is levied.

Under the provision of Section 339-z of the Real Property Law, and Article 6 of the By-Laws, the Condominium Board will have a lien, on behalf of all Unit Owners, on each Unit for unpaid Common Charges and expenses assessed against such Unit together with interest and costs thereon. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit.

Any lien for unpaid Common Charges and expenses against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office and until all sums secured thereby, with interest and costs accrued thereon, shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real Property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing the lien.

In accordance with Section 339-aa of the Real Property Law, while the Sponsor is in control of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien on units in which Sponsor is more than thirty (30) days in arrears of Common Charges. Any Unit Owner who is delinquent in paying Common Charges shall have 30 days to pay the arrears before the filing of a lien.

Failure by Non-Occupying Owner to Make Payments on its Unit

Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its units. The terms of Section 339-kk are as follows:

- (a) For purposes of this section, "non-occupying owner" means a condominium Unit Owner 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 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental

payments from the tenant shall be paid directly to the Condominium Board.

(c) Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board.

(d) When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.

(e) A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(f) Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement.

(g) Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

4. Repairs

Each Unit and all portions of the Common Elements shall be kept in good condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work that is necessary in connection therewith. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter his or her Unit to perform such acts as are necessary to cure such default.

Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, the Managing Agent and/or any other person authorized by any of the foregoing a right of access (to be exercised in a reasonable manner) to his or her Unit for the purposes of: making inspections, removing violations against the Common Elements or any part of the Property, making general repairs, curing defaults by the Unit Owner and for other purposes permitted by the By-Laws. The Condominium Board shall provide reasonable notice to the Unit Owner prior

to such access except in the case of emergencies.

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary in or to any Unit or its Limited Common Elements (other than the Common Elements contained therein) shall be performed by the Owner of such Unit at his or her sole cost and expense; and in or to the Common Elements, shall be performed by the Condominium Board as a Common Expense.

In connection with the foregoing, it should be noted that the windows and doors are a Limited Common Element and the upkeep, repair and replacement of same shall be borne by the owner of such Unit, with the consent of the Board of Managers if the design differs from the previous design, at such Unit Owner's sole cost and expense.

Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or non-extraordinary, that are necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by the Board and paid for by such Unit Owner at his or her sole cost and expense. All maintenance, repairs and replacements to the Units or Limited Common Elements, whether structural or non-structural, ordinary or non-extraordinary, that are necessitated by the negligence, misuse, or abuse of the Condominium Board, will be made by the Unit Owner and paid for by the Condominium Board.

5. Additions Alterations and Improvements

Each Unit Owner shall have the right to:

- (i) make alterations, or improvements in the interior of his Unit;
- (ii) make alterations, additions, or improvements to any part of the Property allocated to his Unit subject to the approval of the Board;
- (iii) change the layout of his Unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or

other persons at the Property, or shall alter the enjoyment of the Common Elements or the Limited Common Elements by such change.

There are no aesthetic controls or architectural restrictions for the above mentioned alterations, additions or improvements.

In the event of a dispute over same the Parties shall follow the Arbitration procedure in Article 10 of the By-Laws and section PROCEDURE TO PURCHASE under the Plan.

In the event that any Unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original Unit.

The Condominium Board may at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, as set forth in the By-Laws. In connection therewith, the Condominium Board, on behalf of the Unit Owner, shall execute applications to any departments or to any governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided however that Condominium Board approval shall be required prior to any work of a structural nature.

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

Except as otherwise provided in the By-Laws, no Unit Owner may make any alteration, addition, improvement, or repair in or to the Common Elements.

6. Insurance

The Condominium Board shall maintain fire insurance policies insuring the Building (including all Units and its improvements including but not limited to the bathroom, kitchen and laundry fixtures, cabinets, equipment, etc. installed therein by the Sponsor or Unit Owner, and all service machinery contained therein, but not including appliances or any furniture, furnishings, or other personal Property supplied or installed by the Unit Owners or tenants of Unit Owners), and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagee"), in an agreed replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear; subject however

to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee (hereinafter defined as set forth below). The cost of all such insurance shall be paid by the Condominium Board and shall be borne by the Unit Owners as part of the Common Charges as reflected in Schedule B.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board or the insurance trustee if the proceed exceed \$50,000.00. Such proceeds shall be applied for the purpose of repairing, restoring or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his or her Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least thirty (30) days' written notice to all of the insured, including Unit Owners, the Board of Managers and Permitted Mortgagees. 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 Permitted Mortgagees ten (10) days prior to expiration of the then current policies, and each Unit Owner shall receive a certificate of such insurance. The insurance policies will provide that each Unit Owner is an additional insured party.

The Condominium Board may also maintain, if deemed necessary, to the extent obtainable: (a) public liability insurance as to personal injury and Property damage in such limits and amounts as the Condominium Board may from time to time determine, covering each member of the Condominium Board, and the Managing Agent or manager (if any) and each of the Unit Owners; (b) rent insurance in an amount equal to the Common Charges for one (1) year; (c) workers' compensation and New York State disability benefits insurance; (d) hazard insurance; and (e) such other insurance as the Condominium Board may from time to time determine. Such public liability insurance will also cover cross-liability claims of one insurer against another. The amount of insurance calculated in the budget of Condominium, Schedule B, does not include above items (b), (c), (d) or (e). However, such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his or her own Unit.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by all Unit Owners as part of the Common Charges.

Notwithstanding the above, while Sponsor is in control of the Board, Sponsor shall cause the Board to maintain the public liability insurance will be in an amount of \$1,000,000.00 covering all claims for personal injury or Property damage in respect of anyone occurrence, and the fire insurance will be at least in the amount set forth in

Schedule B, the "Budget for the First Year of Condominium Operation". The Condominium Board shall review such limits annually.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided, further, that the liability of the carriers issuing insurance procured by the Condominium Board shall not be affected or diminished by reason of any Unit Owner's other insurance. A Unit Owner should consider maintaining, at his or her own expense: (a) separate insurance on the contents (*i.e.*, furniture and other personal Property and belongings) in his or her Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty; and (b) liability insurance against claims for personal injury or Property damage resulting from occurrences in his or her Unit.

Except as set forth in the next paragraph, in the event that the Building or any of the Common Elements thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof.

If the insurance proceeds are insufficient to cover the cost of repairs or restorations of the building or any Common Elements thereof, the Condominium Board may assess all Unit Owners for such deficit as a Common Expense. Any surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to reduce unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

If a Unit is damaged by casualty and the proceeds of insurance obtained by the Condominium Board are not sufficient to cover the repair of the Unit, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Building will be an expense of the individual Unit Owner. In order to protect himself against the possibility of such an expense, the Unit Owner should obtain additional fire insurance coverage above and beyond that coverage maintained by the Condominium Board. If conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to the Unit Owner of the damaged Unit.

If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and if all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in accordance with the factors set out in the New York State Condominium Act Section 339-i(1)(iv), which is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit .

In the event of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. If Sponsor or its designee is then a Unit Owner, it will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

7. Occupancy and Restrictions on Use

As more fully set forth in the Declaration and in the By- Laws, each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy. Any Unit may be partially used as a professional office by the owner of such Unit only. There are no limitations contained in the certificate of occupancy nor are there limitation on guest privileges. There are no limitations on the utilization of the Common Elements or the parking facilities.

No bird, reptile, outdoor pets (e.g. dogs, cats, chickens, etc.) or animal shall be permitted, raised, bred, kept, or harbored in the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent.

Smoking and using e-cigarettes of any kind are not allowed in any of the indoor Common Area, including but not limited to lobbies, hallways, stairways, storage areas, etc.

Sponsor may without obtaining the consent of the Condominium Board or the other Unit Owners use anyone or more of such unsold Units as model units and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with law.

A Unit owned or leased by an individual, corporation, partnership, fiduciary, or other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including officers, directors, stockholders, or employees or corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such entity, respectively, or by members of the immediate family or guests of any of the foregoing. However, the foregoing restriction shall not apply to Unsold Units.

No nuisance, or immoral, improper, offensive, (not conforming to accepted standards of morality or honesty, rude or hurtful behavior), or unlawful use, shall be allowed in the Building or any portion thereof. The Condominium Board shall determine what is considered a nuisance, immoral or offensive use. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to

any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such portion of the Property. The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Condominium Board, provided that copies of such amendments are furnished to each Unit Owner prior to the time that they become effective.

As more fully set forth in the By-Laws, the Condominium Board, and the Managing Agent, superintendent and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes, among others, of making inspection of, or removing violations of governmental laws or regulations against any part of the Property, curing defaults committed by the owner of such Unit under the Condominium Documents, or correcting conditions originating in any Unit and threatening another Unit or any Common Element. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan. Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

A right of access is hereby granted to the Unit Owners, their successors, heirs and assigns, for the purpose of gaining access to the following areas: common areas; mechanical areas of the building, including but not limited to the boiler room, storage room, meter room or any other facility to which each such Unit Owner has a right of use; or to any area of the Property that such Unit Owner has a right to use as part of his Unit or as a Common Element. However, the right shall only be exercised in a reasonable manner. In addition, to the specific easements set forth in Articles 10 and 11 of the Declaration of Condominium, the Property and every portion thereof shall be subject to all easements and rights of access proscribed in the Condominium Act.

8. Compliance with the Terms of the Declaration
The By-Laws and the Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, including, but not limited to: the Declaration, By-Laws, or any other rules, regulations or requirements promulgated by the Condominium Board, and as the same may be amended, modified, deleted, or added to from time to time pursuant to the terms thereof. Failure to strictly comply is grounds for an action for damages, including but not limited to attorney's fees, late charges and interest at the highest legal rate allowable, or injunctive relief, or both.

9. Arbitration

Any matter or issue that may be resolved by arbitration pursuant to New York State law between the Sponsor and the Board, or between Board Members concerning any unresolved disputes or conflicts as well as, or if there is a deadlock in any matter, must be submitted to arbitration for resolution by a single arbitrator, who shall be neutral and independent of any parties involved, and must be mutually agreed upon, in a proceeding in New York County or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association ("AAA") or any successor organization thereto with thirty (30) days of the dispute. In the event that the AAA shall not then be in existence and has no successor organization, any such arbitration shall be held in New York County before a mutually selected arbitrator pursuant to mutually agreed upon rules and procedures. The cost shall be equally shared by the parties involved. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. Arbitration awards are generally final and binding, and a party's ability to have a court reverse or modify an arbitration award is very limited. The arbitrators may not have to explain the reason for their award. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. New York law does not authorize the filing of notice of pendency based on ongoing arbitration proceedings, unlike litigation. Nothing contained in this paragraph shall be construed to preclude any Purchaser's or Unit Owner's rights under Article 23-A of the GBL or the regulations promulgated thereunder.

The Condominium Board shall follow the directions of the Arbitrators. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision or award rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction.

REAL ESTATE TAXES

After the units are separately assessed, 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 or non-payment of taxes on any other units, nor will his or her Unit be subjected to any lien arising from the same.

In the event that the units are not separately assessed at the time of closing to the first Unit, the Sponsor will collect at each Unit closing the estimated amount of taxes attributable to such Unit for the six (6) month period following the closing. Sponsor shall place said amounts in escrow in the name of the Board of Managers. Sponsor shall pay its share for unsold units into the account once taxes are due. 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.

To the extent that the taxes have been paid by the Sponsor there will be an adjustment made at the time of the closing in the amount of the prepaid taxes with respect to this Unit. The adjustment will be based on the percentage of Common Interest allocated to his Unit. In addition to a Unit Owner's deposit for taxes with the Board, the Unit Owner's lender may also require an escrow for taxes. Unless and until real estate taxes, are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense.

Calculations of Real Estate Taxes are arrived by applying the current tax rate to the estimated post renovation assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. Based on an opinion from Metropolitan Realty Exemptions, Inc., by letter dated October 23, 2018, the assessed value used for calculation is the \$295,819.00 post-completion assessed value. The tax rate used for the calculation is 12.719%, which is the current tax rate. Estimated taxes for the first year is a total tax of \$37,625.00. Sponsor is not applying for tax benefits. Unit owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes. Taxes are assessed by the Real Property Assessment Bureau of the Department of Finance of the city of New York. See TAX OPINION for more details

As of the present date, there are no tax certiorari proceedings pending on the premises. The Board of Managers will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the owners. Such owners shall execute any documents required for such filing.

After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

The projections set forth herein are based on current New York City Tax rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate will not change in the future, or changes in assessment practices and policies or increases in

market value which are reflected in the assessed value.

The Internal Revenue Code of 1986, as amended by Public Law No. 115-97, limits the deductions of mortgage interest to mortgages incurred in acquiring, constructing or substantially improving the first and second residences of a taxpayer. The Tax Cuts and Jobs Act of 2017 (Public Law No. 115-97) amends said code to limit the deduction to interest paid on acquisition indebtedness not to exceed \$750,000.00 for acquisitions occurring after December 31, 2017. Starting January 1, 2018, home equity indebtedness is not deductible whether incurred before or after December 31, 2017. Unit Owners that elect to itemize their deduction are permitted an annual deduction of up to \$10,000 (\$5,000 in the case of a married filing separate return) of state and local taxes on their federal individual income tax return. The deduction for state and local taxes includes both real estate taxes and state income taxes. See TAX OPINION for more details.

Tax Status of the Condominium

Section 528 of the Code affords certain condominiums; substantially all of whose Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify-

- (a) 60% or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Unit Owners; and
- (b) 90% 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; and
- (c) No part of the net earnings of the organization may inure to the benefit of any individual.

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 will be eligible to be treated as a tax-exempt organization under Section 528 of the Code during its first year of operation. See "Opinion of Counsel" for more details.

October 29, 2018

The Jumel Mansion Condominium
422 West 160th Street
New York, New York 10032

Gentlemen:

You have requested my opinion concerning (i) the deductibility for Federal, New York State and Local income tax purposes of mortgage interest and real estate taxes paid by a Unit Owner who purchases a Unit under the Offering Plan (the "Plan"), and (ii) the Federal Income Tax Treatment of the Common Charges received by the condominium association of the condominium (the "Condominium") and (iii) Compliance with Real Property Law Section 339(i).

i. **Deductibility of Mortgage Interest and Real Estate Taxes**

The deductibility of the mortgage interest and real estate taxes paid or accrued by the Unit Owner during his or her taxable year will be governed by sections 163 and 164 of the Internal Revenue Code as amended for Public Law No. 115-97 as signed into law on December 22, 2017, (Referenced as the "Tax Cuts and Jobs Act"). Section 163 of the Code allows a taxpayer to deduct all interest paid or accrued during the taxable year for "Qualified Residence" interest. Qualified Residence interest is acquisition indebtedness with respect to a taxpayer's principal residence and one other residence selected by the taxpayer. Section 164 of the Code allows a taxpayer to deduct real estate taxes paid or accrued during the taxable year subject to the limits described below.

It is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 as amended by Public Law No. 115-97 (the "Code") (See Revenue Ruling 64-31, 1964-1 C.B. 300 in which the IRS ruled that Sections 163 and 164 of the Code permitted these deductions by the Condominium Unit Owner provided that he or she itemized his or her deductions in filing his or her Federal income tax returns) and the corresponding provision of the New York State Law (see Section 615 of the Tax Law), interest payments with respect to any Qualified Residence which a taxpayer incurs as indebtedness, subject to the acquisition indebtedness limitations of \$750,000.00 beginning in

2018, and real estate payments are proper deductions by the owner of a Condominium Unit, in connection with his Federal and New York State income taxes. The Tax Cuts and Jobs Act, for tax years 2018 through 2025, disallow the deduction for home equity indebtedness interest.

Similarly, we are of the opinion that each Condominium Unit Owner whose Unit is either the Unit Owner's principal residence or the one other residence (second residence) he selects pursuant to Section 163(h)(5)(A)(i)(II) of the Code will be entitled to deduct the real estate taxes assessed against his Unit as well as the acquisition indebtedness interest secured by his Unit. IRC 164(b)(6) limits the aggregate amount of taxes that can be deducted to \$10,000 (\$5,000 in the case of a married filing a separate return) and may hinder the ability to deduct the full amount paid for the Unit's real estate taxes. These expenses will be deductible when paid or accrued in accordance with the Unit Owner's method of accounting, under Section 216(a)(2) of the Code, Section 615a of the State Law and Section 11-1715(a) of the City Law (if applicable), to deduct interest paid or accrued by him on any mortgage which becomes a lien on a Condominium Unit. The Unit may be so selected if the Unit Owner either uses it as a residence within the meaning of Code Section 280(A)(d)(1) (i.e., he uses it for personal purposes for number of days which exceeds the greater of 14 days or 10% of the number of days during the year for which the Unit is rented at a fair rental), or neither rents nor uses the Unit at any time during the year.

Since the rules and limitations regarding deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). In addition, owners of residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans. The Tax Cuts and Jobs Act, for tax years 2018 through 2025, limits the itemized deductions for state and local taxes on federal individual income tax returns to \$10,000 (\$5,000 in the case of a married filing a separate return). The deduction for state and local taxes includes both real estate taxes and state income taxes. Therefore, those taxpayers that pay both real estate taxes and state income taxes may be limited in the ability to deduct all of the taxes paid in a given year and should consult with their tax advisors for the impact of these limitations.

Each owner of a Residential Unit who uses such Unit as a residence will generally be entitled to the same deduction for interest and real estate taxes paid or accrued with respect to such Unit for New York State and local

income tax purposes as is allowed for federal (regular) income tax purposes. However, although the overall limitation set forth in Section 68 of the Code does not apply, under New York State income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 100% in the case of individual having income exceeding certain prescribed levels. This opinion letter does not address the limitations on the deduction of mortgage interest with respect to acquisition indebtedness and home equity loans. Furthermore, Purchasers should consult their tax advisers to determine the application, if any, of the New York State minimum tax to the deduction for interest and real estate taxes with respect to their Units.

In addition, certain Units 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 Units.

ii. Common Charges-Federal Income Tax Treatment

Section 528 of the Code affords certain condominiums; substantially all of whose Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify-

- (a) 60% or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Unit Owners; and
- (b) 90% 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; and
- (c) No part of the net earnings of the organization may inure to the benefit of any individual.

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 will be eligible to be treated as a tax exempt organization under Section 528 of the Code during its first year of operation.

Such an election may entail the filing of tax returns and will exempt from Federal, New York State and New York City Income taxation all amounts received by the Condominium from the Units 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 Unit Owners. In the event either the Condominium fails to qualify for the

elect Section 528 taxations statute 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 Unit Owners not expended in any taxable year, be subject to Federal, New York State Income Taxation (see Revenue 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 Unit Owner's assessment for such purposes would be added to his tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that assessments for capital purposes, including reserves, are properly 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 a bank account.

We express no views as to any Federal, New York State and/or local county tax consequences or as to any aspects of the Plan other than those explicitly discussed in this opinion. Nor do we express any view as to the tax status and tax consequences of the Plan under the laws of any other US or foreign jurisdictions. This opinion does not deal with tax consequences which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Condominium Board or with respect to whether a Unit Owner may be deemed a resident of New York due to ownership of a Unit. We therefore strongly advise each person contemplating the purchase of a Unit to consult his own tax advisor as to all such tax matters (including the tax matters discussed in this opinion).

No warranty or representation can be made that the United States Treasury Department, the Department of Taxation and Finance of the State of New York or the local municipality, if applicable will accept any or all of the views stated above. Moreover, the Federal, State and City tax laws and regulations (and the rulings and decisions thereunder) may change and thereby affect, in whole or in part, the views stated above. The federal, state, and local municipality may not allow the income tax deductions referred to herein if the tax laws or the regulations issued thereunder or any judicial interpretation thereof change. Under no circumstances will the Sponsors or counsel to the Sponsor, the Condominium Board, the Selling Agent or any person be liable if the taxing authorities fail to allow the income

tax deductions by reason of future changes of fact or law, including statutes, regulations, rulings, and judicial determinations.

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

The method selected for calculating the percentage of Common Interests in the condominium pursuant to Real Property Law Section 339-i(1) is subparagraph (iv), which provides that:

"the Common Interests of each of the Units have been allocated 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"

This opinion is based on the fact that I am familiar with condominium units in the area and have been involved in the sale of real estate including condominiums for over ten years, I have prepared numerous condominium Offering Plans, and I have consulted with and advised other Sponsors as to the allocation of their interests in the Common Elements.

The factual basis of calculating the percentage of Common Interest consists of the size, layout, and location within the premises of each individual Unit; and the anticipated selling price of each Unit. Based on our review of the foregoing factor, we have concluded that the proposed allocation of Common Interest to individual units is in compliance with Section 339-(i)(1)(iv) of the New York State Real Property Law.

It is our understanding that this letter will be made a part of the Offering Plan of the Jumel Mansion Condominium.

Yours truly,

KUNSTLINGER LAW FIRM LLC

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

Joseph Kunstlinger



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

October 23, 2018

Archon Equities, LLC
600 Old Country Rd, Room 338
Garden City, NY 11530

RE: 422 West 160 Street
New York, NY
Block & Lot: 2109 - 29

Letter of Opinion regarding proposed real estate tax liabilities for the project located at
422 West 160 Street, New York, NY 10022

Dear Sir:

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

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

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

The property tax assessment process commences when the city's assessors determine the market value of the property. In regard to one-, two- and three-family homes (tax

METROPOLITAN Realty Exemptions, Inc.

class 1), Finance estimates market values based on comparable sales. Finance's records indicate that the assessor's assessment on market values, only deviate from actual sales prices by 15 percent or less.

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

Proposed Construction

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

- The subject property is located at 422 West 160 Street, New York, NY 10032, and is known as Block: 2109, Lot: 29 with the New York City Department of Finance ("DOF").
- Prior to commencement of construction the property consisted of 4 residential rental units, and classified as a tax class 2A property with the DOF.
- The proposed is to add an additional 475 SF and convert/renovate the building to consist of 4 residential condo units.
- There will be separate condominium tax lots filed with the DOF for each residential unit.
- Based on assessment guidelines, the DOF Surveyor's Office shall class the condominium units as tax class 2C and thus levy the assessed value ("AV") on a 45% rate of the market value.

Estimated Real Estate Tax Liabilities

Following completion of construction, the total assessed value of the property (i.e., the aggregate assessment of all units) is estimated to be \$295,819. Using the foregoing estimate of assessed value, assuming the tax rate regarding tax class 2 remains the same as the current rate of 12.719% (i.e., \$12.719 per \$100 of assessed value, the final 2017/2018 tax rates) the projected tax liability will be \$37,625.

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

METROPOLITAN Realty Exemptions, Inc.

Co-op/Condo Property Tax Abatement

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

Abatement percentages are as follows:

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

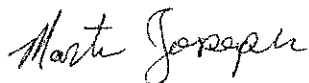
Requirements

- The co-op or condo unit must be the owner's primary residence.
- Co-op or condo owners cannot own more than three residential units in any one development and one of the units must be the owner's primary residence.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.
- Units owned by sponsors, corporations, partnerships are **not** eligible for the abatement.

The legislation extending the abatement program that was signed into law on January 30th, grants abatements only to units that are the primary residences of their owner's primary residents can then qualify for abatements on up to 2 additional units in the same cooperative or condominium as their primary residence. Units held in Trust form that are the primary residence of their occupants qualify for continuing abatements. Those held in corporate ownership form do not.

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

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

RESERVE FUND

The reserve fund will provide a fund in the event there is a need for future major capital expenditure and for no other purpose for the first five years of operation and may only be used for such capital expenditures. See Section 2.4 (xii) of the By-Laws for further details. There is no reserve fund for capital expenditures being established at the start of condominium operations, except that there is a reserve fund as part of the Schedule B in the amount of \$2,300.00. This fund will be available for immediate use by the Condominium Board. While the Sponsor is in control of the Condominium Board, the Reserve Fund shall not be used to reduce estimated Common Charges. No representation is made that the reserve fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the reserve fund, it may be necessary for the Board of Managers to increase the common charges or issue a special assessment.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE INITIAL RESERVE FUND OR THE PHYSICAL CONDITION OF THE BUILDING.

WORKING CAPITAL FUND

The Sponsor, as agent of the Board of Managers, will collect from each original Purchaser at the time of the Closing an "Initial Capital Payment" equal to two (2) months' Common Charges for each Unit. The amount funded to the Working Capital Fund will be disclosed in an amendment to the plan to be filed within forty-five days following the closing of the first Unit. The Sponsor will deliver the funds so collected to the Board of Managers to provide the necessary working capital for the Condominium. Such funds may be used for certain prepaid items, organizational costs, and for such other purposes as the Board of Managers may determine and may be replenished as the Board sees fit. While the Sponsor is in control of the Condominium Board, the Working Capital Fund shall not be used to reduce estimated Common Charges. Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the working capital fund. No representation is made that the initial working capital fund will be adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the initial capital fund, it may be necessary for the Board of Managers to increase the charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE INITIAL WORKING CAPITAL FUND OR THE PHYSICAL CONDITION OF THE BUILDING.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

There are currently no binding agreement on the condominium. In the event Sponsor enters into any binding agreements, the Plan will be amended to disclose same. The Board members will manage the condominium at all times. During the Sponsor control period Sponsor will manage the condominium for no fee.

IDENTITY OF PARTIES

Sponsor

The Sponsor is Archon Equities LLC, a corporation formed in April of 2014 with an address at 600 Old Country Road, Room 338, Garden City, New York 11530. The principals of Sponsor is Steven Schnall, with an address of [REDACTED] and Howard Lev with an address of [REDACTED].

Steven Schnall and Howard Lev are actively involved in the planning and consummation of this offering and as such are the only principals (as such term is defined in the regulations promulgated by the Department of Law) of Sponsor. Mr. Schnall has been investing, building and financing real estate for more than twenty years. Mr. Lev has been a property manager for the past ten years.

Neither the Sponsor nor its principals and/or entities in which Sponsor or principals of Sponsor were principals, nor any individual who own or control a ten percent (10%) or more equity in the Sponsor, have any felony convictions, convictions, bankruptcies, injunctions or judgments which are material to the Offering Plan or an offering of securities generally and that occurred within fifteen (15) years prior to the submission of the proposed offering plan.

The Sponsor has no experience in prior public offerings nor does it have an interest of greater than 10% in any other condominiums or cooperatives.

The principals of Sponsor have experience as a selling agent and have offered the following condominiums in the preceding five years and are current in all its financial obligations to same under such offering:

Name of Condominium	Address	Date Filed
505 West 173 rd Street Condominium,	505 West 173 rd Street New York, New York	06-011-2014
15 Leonard Street Condominium	11 and 13-15 Leonard Street New York, New York	01-27-2014
Jumel Terrace Condominium	449 West 162 nd Street New York, New York	01-15- 2017

The principals of Sponsor do not have an interest of greater than 10% in any other condominiums or cooperatives.

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

Managing Agent

The building will be self managed. During the Sponsor control period Sponsor will manage the condominium for no fee.

Attorney

The Sponsor is represented by Kunstlinger Law Firm LLC, 777 Chestnut Ridge Road, Suite 202, Spring Valley, New York 10977 in connection with this Offering Plan, the recording of the Declaration of Condominium. The Offering Plan was prepared by Joseph Kunstlinger, Esq.

The Sponsor is represented by Gary Horn, Esq. 900 Stewart Avenue, Suite 240, Garden City, New York, with regard to escrows and closings.

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

Engineer/Architect

Mu Shih Samuel Yen P.E., with an address at 196-57th Avenue, 1st Floor, Flushing, New York 11358, a licensed registered engineer of the State of New York, license number 051576, has prepared the description of property in accordance with the Architect's Drawings and the Property. Such report is set forth in Part II. The architect has been involved in the planning and development of multi-unit projects for over ten (10) years. The engineer has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such report.

The architect has no financial interest in the Property, the Sponsor, the Condominium or any other party interested in this transaction, except for its fee for services rendered in connection with such report.

REPORTS TO UNIT OWNERS

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

(a) A financial statement of the Condominium prepared by a certified public accountant or public accountant four months after the end of the fiscal year; such statement shall be certified by an expert on budgets in accordance with section 20.4(d) of the regulations of the New York State Attorney General while the Sponsor is in control of the Board of Managers.

(b) Ten days prior notice of the annual Unit Owners' meeting.

(c) A copy of the proposed annual budget of the condominium by ten (10) days prior to the date set for adoption thereof by the Board of Managers; such budget shall be certified while the Sponsor is in control of the Board of Managers.

DOCUMENTS ON FILE

Copies of the Plan and all exhibits and documents submitted to the Department of Law shall be available for inspection by prospective Purchasers and by any person who shall have purchased a Unit offered under the Plan or shall have participated in the offering of such Unit, at the office of the Sponsor, during convenient weekday hours and shall remain available for such inspection without charge and copying at a reasonable charge for a period of six (6) years from the First Closing. The Plan and all other exhibits and documents referred to herein shall also be available for inspection and copying by appointment at the Department of Law, 28 Liberty Street, 21st Floor, New York, New York 10005. In addition, the Declaration, By-Laws and a set of the Floor Plans showing the layout, locations, and approximate dimensions of each Unit and its Unit number designation filed in the Register's Office will be furnished to the Condominium Board at the time of the closing of the first Unit.

GENERAL

There are no lawsuits, administrative proceedings, or other proceedings the outcome of which may materially affect this offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all of their obligations under the Plan, the Condominium, or the operation thereof, except as may be further herein expressly set forth.

This Property has not been the subject of any prior public offerings. No preliminary contracts or binding agreements have been entered into and no deposits or advances of funds accepted from prospective Purchasers as of the date the plan is accepted for filing. All of the Units offered in the plan are vacant. The units will be vacant at submission of the Plan and remain so until consummation of the Plan, unless an occupant is a Purchaser in contract in occupancy subject to an interim lease agreement.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of sex, race, creed, color, national origin, ancestry, or other ground prescribed by law in the sale of the Units offered by the Sponsor pursuant to the Plan or in the leasing of any such Units or any other portion of the Building.

Purchasers have a right to rescind Purchase Agreements following material adverse amendments. The Purchaser shall have a right to rescind by sending written notice to the Sponsor within thirty (30) days after being presented by the Sponsor with a copy of the amendment. Sponsor will return any deposit or down payment to Purchasers who rescind within ten (10) days of the receipt of written notice of rescission. No deposit or down payment shall be returned to interim lessees prior to their vacating of the apartment. See Section "Interim Leases". In the case of abandonment, funds may be returned to Purchasers together with interest, if any, only after the amendment abandoning the plan has been accepted for filing by the Department of Law. However, in the case of a material adverse amendment, Sponsor may return any deposit or down payment to Purchasers who request rescission before such amendment is accepted.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally. The Offering Plan sets forth all the material terms of the offer.

SPONSOR'S STATEMENT OF BUILDING'S CONDITIONS

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

The number and usage of the units is identical to the number and usage of the units that will be stated in the permanent certificate of occupancy when the construction work is completed.

ASBESTOS STATEMENT

Sponsor represents that there is no Asbestos Containing Material (ACM) and there will be none in insulating or fireproofing material anywhere in the building.

Dated: 20

Sponsor:

ARCHON EQUITIES LLC

PART II

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

PURCHASE AGREEMENT

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

PURCHASE AGREEMENT

**JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET
NEW YORK, NEW YORK**

Agreement made and dated 2018, between

ARCHON EQUITIES LLC, 600 Old Country Road, Room 338, Garden City, New York 11530 (hereinafter called the "Sponsor")

And

having an address at (hereinafter called the "Purchaser")

WHEREAS, the Sponsor will promulgate a Condominium Plan and desires to offer for sale, pursuant to Article 9-B of the Real Property Law of the State of New York, condominium Homes to be situated on the land owned by it located in the Borough of Manhattan, County of New York, and State of New York and the Purchaser is desirous of purchasing a Condominium Home therein;

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth in this Purchase Agreement, the parties mutually agree as follows:

1. PLAN

Purchaser acknowledges having received and read the Plan at least three (3) full business days prior to Purchaser's signing this Purchase Agreement. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the proposed Condominium Documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor (including, without limitation, amendments involving any changes, modifications, or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser, or the "Schedule B-- Budget for First Year of Condominium Operation" of THE JUMEL MANSION CONDOMINIUM". Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Sponsor without Purchaser's consent or approval. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. Purchaser acknowledges having had full opportunity to examine all documents, and investigate all statements, made herein and in the Plan.

2. AGREEMENT TO PURCHASE AND SELL

Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the Unit designated as Unit Number _____ (hereinafter called the "Unit") and in the Declaration, together with its undivided interest (hereinafter called the "Common Interest") in the Common Elements, on and subject to, the terms and conditions set forth herein.

3. PURCHASE PRICE

A. The purchase price for the Unit (exclusive of closing adjustments and costs referred to in Paragraphs 12 and 13 below) is

\$ _____ (hereinafter called the "Purchase Price")

which Purchaser agrees to pay to the Sponsor, as follows:

(i) \$ _____ (hereinafter called the "Down Payment") is due on Purchaser's signing and submitting of this Agreement and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor;

(ii) \$ _____ (hereinafter called the "Balance "), constituting the balance of the Purchase Price, is due on the delivery to Purchaser of the deed to the Unit and must be paid by Purchaser's personal certified check or official cashier's check, in either event drawn on a bank that is a member of the New York Clearing House Association.

B. The payment of the Balance and acceptance of deed to the Unit by Purchaser shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, that is any post closing obligations survive tender of the deed.

C. Purchaser is not required to pay the Balance or accept title to the Unit unless concurrently with, or prior to, closing all the prerequisites set forth under "Closing and Terms of Sale" in Part I of the Plan are met.

4. PURCHASE MONIES HELD IN TRUST

A. The law firm of Gary Horn, Esq, whose address is 900 Stewart Avenue, Suite 240, Garden City, New York, and whose telephone number is (516) 248-0002, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Gary Horn, 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.

B. Escrow Agent and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of the Purchase Agreement or otherwise concerning the maintenance of release of the Deposit from escrow.

C. The Escrow Agent has established the escrow account at Quantic Bank, located at 31-05 Broadway, Astoria, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Gary Horn Escrow Account, Jumel Terrace Condominium, ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit.

D. All Deposits received by Purchaser shall be in the form of checks, money orders, wire transfers, or other instruments, and shall be made payable to or endorsed by the Purchaser to the order of Kunstlinger Law Firm LLC, as Escrow Agent.

E. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

F. Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within 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.

G. The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 21st Floor, New York, N.Y. 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.

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

I. Under no circumstances shall Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an

effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

J. The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 4 upon closing of title to the Unit; or

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

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

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

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

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

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

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

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

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

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

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

O. Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the Unit to a designated attorney who is a member of or employed by Escrow Agent, within two (2) business days of tender of the Deposit by Purchaser.

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

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

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

5. CLOSING CONTINGENT ON PLAN BEING DECLARED EFFECTIVE

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

Amendment to the Plan, when the Plan becomes effective or is abandoned.

6. CLOSING DATE AND PLACE

The closing of title shall occur on the date and at the time and place in the office of the Seller's Attorney, County of Kings, State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days' prior written notice. TIME IS OF THE ESSENCE with regard to such Closing Date. Sponsor shall have the right, from time to time, to adjourn such date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) business days' prior written notice of the new scheduled date and time for closing. Purchaser may waive this thirty (30) day provision by initialing below.

The Sponsor expects the first closing of a Unit to occur on approximately April 1, 2020. If such closing is delayed twelve (12) months or more, the Plan shall be amended to offer Purchasers a right to rescind.

I hereby waive the provision requiring thirty (30) days Notice of Closing _____.

7. THE DEED

At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenant against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, to Purchaser or Purchaser's attorney).

8. STATE OF TITLE

Legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions (hereinafter called the "Permitted Encumbrances") enumerated in Exhibit A to this Agreement. Title exceptions may include the state of facts shown on a stated survey and any additional state of facts a subsequent survey would show, provided that such state of facts does not render title uninsurable. Any other liens, encumbrances, or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit and that the uses of the building described in the plan are not in violation thereof.

9. TITLE COMPANY APPROVAL

Sponsor's sole obligations shall be to provide Purchaser with title free and clear of all liens from any reputable title insurance company. Purchaser may accept such title, or any other title as any member of the New York Board of Title Underwriters, will approve and insure, provided only the liens, encumbrances, title exceptions and conditions affecting title shall be the

Permitted Encumbrances, provided they do not render title uninsurable.

10. SPONSOR'S INABILITY TO CONVEY TITLE

In the event Sponsor is unable to deliver to Purchaser title to the Unit due to a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount, to render title insurable or to remove, cure or comply with any violations of record issued prior to the First Closing, or due to substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount, or due to the taking of any material portion of the Property in condemnation proceedings or be eminent domain and in such case, Sponsor may abandon the Plan. In no event shall Sponsor be obligated to cure violations of record which are the obligations of tenants to cure or which result from the acts or omissions of tenants, or violations noted with respect to radio or television antennae.

11. PURCHASER'S REMEDIES

In the event that the Sponsor shall for any reason (except for willful default) be unable to convey and deliver the apartments in accordance with the terms of the Purchase Agreement, (except for any failure to perform any obligation imposed by applicable statute or regulation, or a failure to perform Sponsor's obligations under the Offering Plan) the sole remedy of the Purchaser shall be to rescind the Purchase Agreement and be refunded the entire down payment with interest plus the cost of title searches, if any.

Purchasers have a right to rescind Purchase Agreements following material adverse amendments. The Purchaser shall have a right to rescind by sending written notice to the Sponsor within thirty (30) days after being presented by the Sponsor with a copy of the amendment. Sponsor will return any deposit or down payment to Purchasers who rescind within ten (10) days of the receipt of written notice of rescission.

Any conflict between the Plan and the Purchase Agreement shall be resolved according to the terms of the Plan.

Nothing contained in the Purchase Agreement or in the Plan shall be construed to waive a Purchaser's rights or abrogate Sponsor's obligations under Article 23-A of the GBL.

12. CLOSING ADJUSTMENTS

A. At closing, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the closing:

- (i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes;

- (ii) Common Charges for the month in which title closes; and
- (iii) rent and other charges, if any, pursuant to a lease for, or tenancy of,
- (iv) if pre-paid, Condominium Property and liability insurance apportioned to Unit until the policy expiration date.

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

B. In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, the apportionment of real estate taxes shall be based on the Unit's pro-rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. If the Unit has been separately assessed but the closing occurs before the tax rate is fixed, then the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation.

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

D. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

13. PURCHASER'S CLOSING COSTS

At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described above. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of the Plan and are subject to change without prior notice or amendment:

- (i) If such Purchaser elects to obtain fee title insurance, he or she will pay a premium thereof to his or her title insurance company which will vary depending upon the amount of insurance requested. The premium for fee title insurance, should be \$774.00 for the first \$100,000.00 of fee insurance plus \$4.36 for each \$1,000.00 or fraction thereof of additional fee insurance up to \$500,000.00 and \$3.98 thereafter up to \$1,000,000.00.
- (ii) An estimated \$230.00 recording fee for the deed and approximately \$100.00 for recording the power of attorney. An estimated fee of \$200.00 for preparation of ACRIS documents.
- (iii) If Purchaser obtains a mortgage loan, Purchaser will pay:

- (a) a fee and service charge for recording the mortgage at approximately \$280.00;
- (b) Purchasers will pay a portion of the mortgage recording tax in the amount provided for by law (at the date of the Plan, the tax is 2.05% for mortgage up to \$500,000.00 and 2.125% thereafter up to \$1,000,000.00, of which the lender pays an additional .25%).
- (c) Purchasers will pay a premium, for the mortgage title insurance policy. In addition, such Purchaser shall pay the costs of filing the UCC-1 Financing Statements (approximately \$15.00), and will also pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the Condominium Act. All such payments shall be made upon execution of the loan documents.
- (d) all costs and expenses in connection with such loan in amounts determined by the lender. Sponsor makes no representation or warranty as to such closing costs or expenses or as to the availability of such financing.
- (iv) Purchaser will be required to deposit with the Board of Managers two (2) times the estimated monthly Common Charges for his Unit for the Working Capital Fund.
- (v) Purchaser shall be obligated to pay a fee of \$2,000.00 to the law firm of Gary Horn, Esq. for services rendered in connection with the preparation of closing documents. In addition the Purchaser shall pay the following fees to Sellers attorney: (i) if the closing.
- (vi) Although it is the Seller's statutory expense, Purchaser shall pay for the York State Transfer Tax (currently \$2.00 per \$500.00, or fractional portion thereof of the purchase price) and the New York City Transfer Tax (currently \$1.00 per \$100.00, or fractional portion thereof of the purchase price up to \$500,000.00 and thereafter \$1.425 per \$100.00 or fractional portion thereof up to \$1,000,000.00 and 1% mansion tax for purchases \$1,000,000 and higher)
- (vi) Purchaser shall pay for the New York City Mansion Tax (currently \$1.00 per \$100, or fractional portion thereof of the purchase price), if applicable.
- (vii) At closing, each Purchaser shall pay to the Sponsor the sum of \$5,000.00 to defray the Sponsor's costs of creating the condominium and applying for tax benefits, e.g, architectural costs, filing fees, legal fees and other costs incurred in creating the condominium.

All fees are cumulative to the extent applicable to an individual Purchaser.

14. RENT SECURITY DEPOSIT

If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent

security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, if any, within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupancy will be transferred at closing to Purchaser, who will upon receipt sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrearage owing to Sponsor and to sue the tenant to the extent such rent security is insufficient.

The Purchaser may not occupy the Unit or perform any work in the Unit prior to closing without the prior consent of the Sponsor, or under an Interim Lease. In the event the Purchaser occupies the Unit or performs any work in the Unit prior to closing without the prior consent of the Sponsor or without an Interim Lease, such event shall constitute a default under Section 16 of this Agreement.

15. POWER OF ATTORNEY TO BOARD OF MANAGERS AND SPONSOR

At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or if no representative is present, then to Sponsor's attorney) for recording in the New York County Clerk's Office, a power of attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the power of attorney. After being recorded, the power of attorney shall be sent to the Condominium Board.

16. EVENTS OF DEFAULT

A. The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Balance on the Closing Date designated by Sponsor pursuant to paragraph 6 herein;

(ii) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney pursuant to paragraph 15 above;

(iii) If Purchaser is or becomes a tenant of the Building, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations, which results in Purchaser's eviction from Purchaser's Unit (either by voluntary removal or by court order); or

(iv) If Purchaser occupies the Unit or performs any work in the Unit prior to closing without the prior consent of the Sponsor;

(v) The failure to pay, perform or observe any of the Purchaser's other obligations

hereunder, which is not cured within thirty (30) days after the mailing of written notice specifying the nature of such default.

B. Upon the occurrence of an Event of Default, the Sponsor's sole remedy shall be to cancel the Purchase Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which time Purchaser must cure the specified default. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Down Payment (but in no event to exceed ten percent (10 %) of the Purchase Price of the it) plus the cost of any special work in the Unit ordered by Purchaser, (hereinafter called the "Liquidated Sum") and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS AGREEMENT ON OR BEFORE THE 30TH DAY OF SUCH THIRTY DAY PERIOD.

Upon cancellation of this Agreement and making such refund to Purchaser (if any), Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

C. In the event that a Purchaser does not close on the Closing Date set forth in the Notice of Closing, and Sponsor elects not to cancel the Purchase Agreement or if the Sponsor approves the Purchaser's request to adjourn the Purchaser's closing to his apartment, interest shall accrue on the unpaid amount of the purchase price from the Closing Date until such amount is paid. The interest rate shall be twelve percent (12%) per annum, however the rate may not exceed NY usury laws. This rate shall be in effect for as long as there is any unpaid amounts owing towards the full purchase price.

D. Notwithstanding the occurrence of an Event of Default Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from Purchaser's damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

E. If Purchaser is or becomes a tenant of the Building and Purchaser fails to pay rent or otherwise comply with Purchaser's lease or tenancy obligations, or Purchaser vacates or abandons the leased premises, then such failure, vacating or abandonment (as the case may be) shall constitute a default hereunder entitling Sponsor, at its sole option, to cancel this Agreement, even though Purchaser is not evicted from the leased premises as a result thereof. However, in the event Sponsor elects to so cancel, unless Purchaser is evicted, Sponsor shall refund to Purchaser all monies deposited hereunder together with any interest earned thereon. Upon such

refund being made, Sponsor and Purchaser will be released and discharged of all further liability and obligations under this Agreement and the Plan. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's lease or tenancy obligations.

17. APPLIANCES AND EQUIPMENT

A. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described in the Plan. Furniture, wall coverings, furnishings, decorations, and the like in or about any model Unit are for display purposes only and are not included in this sale. Any Floor Plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon. Sponsor shall not be liable for minor variations from any Floor Plans or sketches.

B. There will be no modifications or extras unless agreed to in writing by the parties. All modifications and alterations must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expenses (payable in the manner to be set forth in an addendum to this Agreement or separate agreement).

18. CONSTRUCTION

A. The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural "plans and specifications" (defined in the Plan), subject to the right reserved by Sponsor to modify and amend the Plan and the "plans and specifications" in order to substitute materials, equipment or fixtures of Equal or Better Quality and design, provided only that the approval of any governmental authorities having jurisdiction thereover and the construction lender are first obtained (if required). The issuance of a Certificate of Completion for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the "plans and specifications". However, nothing herein contained shall excuse Sponsor from its obligations to correct any defects in construction in accordance with the conditions set forth in the Plan in the section entitled "Rights and Obligations of the Sponsor".

B. The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of the Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and "plans and specifications" as indicated in the Plan in the "Rights and Obligations of Sponsor" section and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in said section of the Plan.

C. Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, is to construct the premises in accordance with all applicable codes and filed plans and specifications. Any conflict between the Sponsor's disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and

specifications shall be resolved in favor of the latter.

19. INSPECTION OF UNIT

At least ten (10) days before the Balance is to be paid, the Selling Agent shall notify the Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Selling Agent to inspect the Unit before the lapse of such ten (10) day period. Purchaser or his duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit C to this Agreement) and deliver same to the Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within ten (10) days of receipt of said notice or to so sign and deliver the completed Inspection Statement, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in the "Rights and Obligations of Sponsor -- Construction Obligations" as set forth in the Offering Plan.

20. POSSESSION; RISK OF LOSS

A. Unless Purchaser now resides in the Unit, Purchaser shall not be entitled to occupy the Unit until the deed is delivered to Purchaser at closing. Sponsor may, in its discretion, grant Purchaser possession of the Unit prior to the closing under an Interim Lease, if the Unit is currently, or hereafter becomes vacant.

B. If Purchaser is given possession of the Unit prior to Closing under an Interim Lease or otherwise, before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss for, and the obligation to repair the damage incurred that is not paid for by the existing insurance policy, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured. However, until closing Sponsor will remain responsible to make those repairs required of it as a landlord under any existing or Interim Lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Documents.

C. If during Purchaser's occupancy the Unit is damaged by casualty or otherwise, the Purchaser shall assume the risk of loss and the obligation to repair the damage incurred that is not paid for by the existing insurance policy, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workmen. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be double insured. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

D. Except as provided in the preceding subparagraph C, all other risk of loss prior to

closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. The Sponsor will make a determination and notify Purchaser whether or not to repair damages within thirty (30) days after casualty. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Condominium Board to complete such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Notwithstanding the foregoing, if a mortgage financing contingency is included in the Purchase Agreement and the financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise the right to rescind. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing.

E. In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited hereunder, without interest (unless interest is earned), whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum pursuant to Paragraph 16B above.

21. NO REPRESENTATION

Purchaser acknowledges that Purchaser has not relied upon any architect's plans with the exception of the architect's plans in the Offering Plan, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or others, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to Purchaser the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct,

provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 21 shall survive the closing of title.

22. NOTICES

All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid, and, if sent to Purchaser, addressed to Purchaser or to Purchaser's attorney, and, if sent to Sponsor, addressed to the Sponsor or Sponsor's attorney.

Alternatively, Seller's attorney may send all notices to Purchaser's attorney and/or Purchaser via facsimile at the following number(s): _____. A facsimile confirmation printout by Seller's attorney showing transmission was complete is sufficient evidence that the facsimile has been transmitted and the notice has been served.

23. BROKER

Purchaser represents to Sponsor that the Selling Agent is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. Purchasers may use their own real estate agent, however, Purchaser shall be responsible for any commission due to his agent. The provisions of this Paragraph 23 shall survive the closing.

24. NO LIEN: AGREEMENT SUBJECT TO MORTGAGE

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance and not in limitation of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment

of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

25. ENTIRE AGREEMENT

This Purchase Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

26. JOINT PURCHASERS

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

27. LIABILITY OF SPONSOR

A. Sponsor shall not have any liability to Purchaser or others with respect to any of Sponsor's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Sponsor from the sale of all Unsold Units after payment of, or reserve for, any liabilities, costs or expenses of Sponsor arising out of the promulgation of the Plan, the offering of the Units for sale and the consummation of the transactions contemplated in the Plan.

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

C. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed, or those that are in derogation of the rights of Purchasers under Article 23-A of the General Business Law or under the Plan.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be

created or transferred hereunder or pursuant to any such transaction.

29. SEVERABILITY

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

30. STRICT COMPLIANCE

Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Sponsor, notwithstanding any failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

31. GOVERNING LAW

The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the Laws of the State of New York.

32. ARBITRATION

Any matter or issue that may be resolved by arbitration pursuant to New York State law, between the Sponsor and a Purchaser concerning any unresolved disputes or conflicts as well as the disposition of escrowed funds, must be submitted to arbitration for resolution by a single arbitrator, who shall be neutral and independent of any parties involved, in a proceeding in New York County or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association ("AAA") or any successor organization thereto within thirty (30) days of the dispute. In the event that the AAA shall not then be in existence and has no successor organization, any such arbitration shall be held in New York County before a mutually selected arbitrator pursuant to mutually agreed upon rules and procedures. The cost shall be equally shared by the parties involved.

No party may commence a proceeding in any other forum other than to enforce these arbitration provisions. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. The fees, costs and expenses of the arbitrators shall be shared equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses. The ability of the parties to obtain documents, witness statements and other discovery may be more limited in arbitration than in court proceedings. The parties to the Purchase Agreement are giving up the right to bring suit in court, including the right to a trial by jury, concerning disputes over the disposition of escrowed funds, except as provided by the rules of the arbitration forum in which a claim is filed.

Arbitration awards are generally final and binding, and a party's ability to have a court reverse or modify an arbitration award is very limited. The arbitrators may not have to explain the reason for their award. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. New York law does not authorize the filing of notice of pendency based on ongoing arbitration proceedings, unlike litigation. In the case of a dispute of a deposit, the deposit shall not be released from escrow until at least 90 days has elapsed from the issuance of a final arbitration award. If the Purchaser brings a proceeding pursuant to CPLR §7511 to vacate the award, the funds must remain in escrow until the proceeding is finally adjudicated.

Nothing contained in this paragraph shall be construed to preclude any Purchaser's rights under Article 23-A of the GBL and the regulation promulgated thereunder. The panel will have the authority to file their decision with the Court under the New York Arbitration Law and Article 75 of the CPLR. Any decision or award rendered shall be final and conclusive upon the parties and a judgment thereon may be entered in a court of competent jurisdiction. The decision shall be enforceable in a court of competent jurisdiction. The arbitration requirement does not affect Purchaser's or Unit Owner's rights under 23-A of the General Business Law or the regulations promulgated thereunder.

33. LIMITED WARRANTY

The Sponsor is limiting the Housing Merchant Implied Warranty as discussed in the Plan Sponsor herein makes no other warranties, express or implied, in connection with this agreement or Unit covered hereby and all such warranties are excluded, except as provided in the limited warranty annexed to this agreement. The terms of the limited warranty are hereby incorporated into this agreement and there are no warranties which extend beyond the face thereof. Purchaser hereby acknowledges that a written copy of the terms of the annexed limited warranty has been provided by Sponsor to purchaser for purchaser's examination and that a reasonable period of time for its examination by purchaser has been afforded to purchaser prior the time of purchaser's execution of this agreement. Purchaser understands and accepts the warranty annexed to this agreement in lieu of any other express or implied warranties in connection with this transaction. The warranty annexed to this agreement will be fully effective without the execution of any other document by either Purchaser or Sponsor on the date that purchaser shall first occupy the Unit which is the subject of this agreement.

34. GENDER

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

35. CERTAIN REFERENCES

The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

36. CAPTIONS

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

37. SUCCESSORS AND ASSIGNS

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

38. NO ORAL CHANGES

This Agreement cannot be changed nor any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

39. ACCEPTANCE OF PURCHASE AGREEMENT

A. On or prior to Purchaser's signing and delivering this Purchase Agreement, Purchaser agrees (if requested) to complete, sign and deliver to the Selling Agent an application form furnished by Sponsor. Such application shall be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor.

B. The submission of such application or this Purchase Agreement to Purchaser does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within twenty (20) days after the Selling Agent receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status or other ground proscribed by law.

[Only one of the paragraphs 39 below will be included in the Purchaser Agreement, at the discretion of the Sponsor]

40. PURCHASE AGREEMENT NOT CONDITIONED ON FINANCING

The obligations of a Purchaser under the Purchase Agreement are not conditioned on

obtaining financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if unable to pay the balance of the purchase price.

40. PURCHASE AGREEMENT CONDITIONED ON FINANCING

This Agreement is conditioned upon Purchaser obtaining a written loan commitment from a lending institution for a mortgage loan in the amount of _____. Purchaser shall have thirty (30) days after the contract has been fully executed to secure a mortgage loan commitment at the then prevailing interest rate. In the event no such financing is furnished, the Purchase Agreement may be declared null and void by either party by written notice to the other postmarked or delivered within five (5) days subsequent to such 30-day period. In such event, the contract deposit shall be returned to Purchaser. If such notice is not sent within such five-day period, the financing contingency clause shall be deemed waived. If waived, the failure to obtain financing or otherwise raise sufficient funds in time to satisfy the requirements of the Purchase Agreement, they will not be relieved of their obligations hereunder and may, therefore, lose their deposit as provided in the Purchase Agreement. If the Purchaser's financing commitment lapses or expires prior to closing, and the Purchaser has made a good faith effort to extend the commitment, Sponsor must grant to such Purchaser a right of rescission and a reasonable period of time to exercise the right to rescind. No other financing contingency is permitted by this Purchase Agreement.

If Purchaser's loan commitment expires and such expiration has occurred due to Purchaser's refusal to close title or Purchaser's delay in closing title, or in the event that the terms of the loan commitment are changed or the loan commitment is revoked as a result of Purchaser's acts or omissions, or Purchaser does not request a renewal or extension of the loan commitment in writing on a timely basis, the Purchase Agreement shall remain in full force and effect and Purchaser may pay the balance of the Purchase Price at closing or be in default.

Purchaser's failure to provide information to the lending institution promptly upon request therefore or to accept a commitment issued to Purchaser on the terms set forth herein, shall constitute an event of default for which Sponsor shall have the right to cancel this Agreement as provided in Section 16 herein.

41. COST OF ENFORCING AND DEFENDING AGREEMENT

If Sponsor prevails, Purchaser shall be obligated to reimburse seller for any legal fees and disbursements incurred by Seller in defending Seller's right under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

42. POLICY ON SMOKING

Smoking and using e-cigarettes of any kind are not allowed in any of the indoor Common Area, including but not limited to lobbies, hallways, stairways, storage areas, etc.

43. AGREEMENT NOT ASSIGNABLE: BINDING EFFECT

This Purchase Agreement is not assignable without the consent of the Sponsor.

This Purchase Agreement shall bind and apply to Purchaser and Purchaser's executors, administrators, legal representatives, heirs, successors and permitted assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Purchaser:

Sponsor: ARCHON EQUITIES LLC

L.S.

By:

ESCROW AGENT:

BY:

EXHIBIT A

Permitted Encumbrances

1. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.
2. State of facts which an accurate surveyor personal inspection of the Land would show, provided such facts would not prevent the use of the Unit for dwelling purposes or render title uninsurable.
3. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from Purchaser to the Condominium Board and Sponsor and the Floor Plans, all as may be amended from time to time.
4. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or street on which the Land may abut.
5. Any easement or right of use in favor of handicapped persons or any easement or right of use in favor of any utility company for electricity, steam, gas, telephone, water, or other service, and the right to construct, use, maintain, repair, and replace all utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.
6. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Condominium Board).
7. Encroachments of shrubbery, stoops, areas, steps, doors, ledges, window sills, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, sewerage pipes, air-conditioning units, canopies, ramps, and similar projections, if any, on, over, or under the Property or the streets or sidewalks or Property abutting the Property and the rights of governmental authorities and adjoining Property owners to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.
8. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.
9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.
10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that Sponsor shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be adjusted at closing).
11. Any encumbrance as to which the title insurance company which insures

Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

12. Easements in favor of adjoining Units in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Units or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, make by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid in favor of all other Units. In addition, each Unit shall have, and shall be subject to easements of subjacent support and necessity in favor of such Unit or in favor of the other Units and the Common Elements.

13. All covenants, restrictions, reservations, agreements and easements of record which re still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent the use of any Unit at the Property for dwelling or commercial purposes, as the case may be, nor prevent the existence of the promised structure.

14. Any other Declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any laws, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building. Sponsor shall file an amendment to the Plan to reflect any such other Declaration or other instrument affecting the Property which is not already disclosed herein.

15. Any other encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling or commercial purposes, as the case may be subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

16. Any lease covering the Unit.

17. Certificate of Occupancy to be issued covering the Unit if required.

18. Any violations against the Property (other than the Unit) which are the obligation of the Condominium Board or another Unit Owner to correct.

19. Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring the Purchaser's title to the Unit.

EXHIBIT B
FINAL INSPECTION SHEET

Unit: _____

Date of Inspection: _____

Time of Inspection: _____

Present: _____

Defects or Flaws:

Purchaser(s) hereby state that he, she or it accepts the Unit "as is" with the exception of the above listed items and that upon reasonable completion of the above listed items the Seller shall have no further obligations to the Purchaser(s) hereunder. Seller shall complete the above listed items as promptly as reasonably possible.

Purchaser: _____

Seller: ARCHON EQUITIES, LLC

Purchaser: _____

By: _____

NEW YORK RESIDENTIAL LEASE AGREEMENT

This Residential Lease Agreement (hereinafter "Lease") is entered into this the _____ day of _____, 20____ by and between the Lessor: _____ (hereinafter referred to as "Landlord"), and the Lessee(s): _____ All Lessees (hereinafter referred to collectively as "Tenant"), are jointly, severally and individually bound by, and liable under, the terms and conditions of this Lease.

For the valuable consideration described below, the sufficiency of which is hereby acknowledged, Landlord and Tenant do hereby covenant, contract and agree as follows:

GRANT OF LEASE: Landlord does hereby lease unto Tenant, and Tenant does hereby rent from Landlord, solely for use as a personal residence, excluding all other uses, the personal residence located in Rockland County, New York, with address of _____ including the following items of personal property:

NONE

2. NATURE OF OCCUPANCY: As a special consideration and inducement for the granting of this Lease by the Landlord to the Tenant, the personal residence described above shall be used and occupied only by the members of the Tenant's family or others whose names and ages are set forth below:

3. TERM OF LEASE: This lease shall only become effective once the contract for this property between the parties becomes firm and free of contingencies.

This Lease shall commence on the _____ day of _____, and extend until its expiration on the _____ day of _____, unless renewed or extended pursuant to the terms herein.

4. SECURITY DEPOSIT: Upon execution of this Lease, Tenant shall deposit the sum of \$ _____, to be held by Sponsor's attorney, as a security deposit for reasonable cleaning of, and repair of damages to, the premises upon the expiration or termination of this Lease, or other reasonable damages resulting from a default by Tenant. Tenant shall be liable to Landlord for all damages to the leased premises upon the termination of this Lease, ordinary wear and tear excepted. Tenant is not entitled to interest on the security deposit. Tenant may not apply the security deposit to any rent due under this Lease. If Landlord sells or assigns the leased premises, Landlord shall have the right to transfer Tenant's security deposit to the new owner or assignee to hold under this Lease, and upon so doing Landlord shall be released from all liability to Tenant for return of said security deposit.

The landlord is not obligated to return a tenant's security deposit for any reason other than a default by the landlord under the Purchase Agreement. In the event the lessee closes before _____ the security deposit will be credited against the Purchase Price.

5. RENT PAYMENTS: Tenant agrees to pay rent unto the Landlord during the term of this Lease in equal monthly installments of \$ _____ a month from _____, until _____.

Tenant agrees that if rent is not paid in full on or before the 10th day of the month, Tenant will pay a late charge of \$ 100.00 as allowed by applicable New York law.

Tenant agrees that rent shall be paid in lawful money of the United States by (indicate those that apply):

☐ cash, ☐ personal check, ☐ money order, ☒ cashier's check, ☐ other _____.

If Landlord has agreed to accept personal checks the following shall be applicable:

In the event Tenant's personal check or the personal check of any other individual or entity paying the rent on behalf of the Tenant shall be dishonored or returned by Landlord's bank for any reason whatsoever, Tenant shall replace this check within 2 days of said dishonor together with an additional \$50.00 fee to cover Landlord's costs incurred as a result of the foregoing as well as a fee for any applicable late charges.

Additionally, Landlord shall have the option of declining to accept any personal checks for the remainder of the lease period and any applicable renewal periods.

Rent payments shall be made payable to or his/her/its order as she may so direct upon reasonable notice to the tenants and mailed or delivered to the following address:

All notices from Tenant to Landlord under this Lease and applicable New York law shall be delivered to the above address by certified mail return receipt requested.

Tenant agrees that rent monies will not be considered paid until Landlord or Landlord's agent receives the rent monies, either by mail or by delivery to the above address. Tenant placing rent monies in the mail is not sufficient for rent to be considered paid, and rent will be considered unpaid until actual receipt thereof.

If there are multiple Tenants signed to this Lease, all such Tenants are jointly, severally and individually bound by, and liable under, the terms and conditions of this Lease. A judgment entered against one Tenant shall be no bar to an action against other Tenants.

6. CONSEQUENCES OF BREACH BY TENANT: If Tenant, by any act or omission, or by the act or omission of any of Tenant's family or invitees, licensees, and/or guests, violates any of the terms or conditions of this Lease or any other documents made a part hereof by reference or attachment, Tenant shall be considered in breach of this Lease (breach by one tenant shall be considered breach by all tenants where Tenant is more than one person).

In case of such breach, Landlord may deliver a written notice to the Tenant in breach specifying the acts and omissions constituting the breach and that the Lease Agreement will terminate upon a date not less than thirty (30) days after receipt of the notice if the breach is not remedied within a reasonable time not in excess of thirty (30) days; and the Lease Agreement shall terminate and the Tenant shall surrender possession as provided in the notice subject to the following:

(a) If the breach is remediable by repairs, the payment of damages, or otherwise, and the Tenant adequately remedies the breach prior to the date specified in the notice, the Lease Agreement shall not terminate;

(b) In the absence of a showing of due care by the Tenant, if substantially the same act or omission which constituted a prior noncompliance of which notice was given recurs within six (6) months, the Landlord party may terminate the Lease Agreement upon at least fourteen (14) days written notice specifying the breach and the date of termination of the Lease Agreement;

If the Lease Agreement is terminated, Landlord shall return all prepaid and unearned rent, and any amount of the security deposit recoverable by the Tenant.

However, if the breach by the Tenant is **nonpayment of rent**, the Landlord shall not be required to deliver thirty (30) days' written notice as provided above. In such event, the Landlord may serve Tenant with a seven (7) day written notice of termination, whereupon the Tenant must pay the unpaid rent in full or surrender possession of the premises by the expiration of the seven (7) day notice period.

Furthermore, the Tenant may be terminated with three (3) days notice if the Tenant has committed a substantial violation of the Lease Agreement or applicable law that materially affects health and safety, and the violation is not cured prior to the expiration of the three day notice period.

Tenant expressly agrees and understands that upon Landlord's termination of this Lease, the entire remaining balance of unpaid rent for the remaining term of this Lease shall **ACCELERATE**, whereby the entire sum including but not limited to any advances made by Landlord for items enumerated under paragraph 8 hereof as well as reasonable attorneys fees, costs and disbursements paid in connection with the enforcement of this lease shall become immediately due, payable, and collectable. Landlord may hold the portion of Tenant's security deposit remaining after reasonable cleaning and repairs as a partial offset to satisfaction of the accelerated rent.

7. DELIVERY OF NOTICES: Any giving of notice under this Lease or applicable New York law shall be made by Tenant in writing and delivered to the address noted above for the payment of rent, either by hand delivery or by mail. Certified or registered mail is recommended. Delivery by mail shall not be considered complete until actual receipt by Landlord or Landlord's agent.

Any notices from Landlord to Tenant shall be in writing and shall be deemed sufficiently served upon Tenant when deposited in the mail addressed to the leased premises, or addressed to Tenant's last known post office address, or hand delivered, or placed in Tenant's mailbox. If Tenant is more than one person, then notice to one shall be sufficient as notice to all. Notice to Tenant shall be to Tenant's attorney, _____, Esq.

8. UTILITIES: Tenant will provide and pay for any and all utilities on the property including but not limited to the following utilities (indicate those that apply):

[☒] Electric, [☒] Gas, [☒] Telephone, [☐] Cable Television, [☒] Water, [☐] Garbage pick-up, [☒] Heat

Additionally, Tenant will pay any and all real estate taxes and hazard and liability insurance on the leased premises during the period of the lease.

The payments for items made under this paragraph 8 shall be exclusive of the aforestated regular monthly rental payments and not included therein.

Landlord will provide and pay for the following utilities (indicate those that apply): **NONE**

Tenant shall be responsible for contacting and arranging for any utility service not provided by the Landlord, and for any utilities not listed above. Tenant shall be responsible for

having same utilities disconnected on the day Tenant delivers the leased premises back unto Landlord upon termination or expiration of this Lease.

9. NOTICE OF INTENT TO SURRENDER: Any other provision of this lease to the contrary notwithstanding, at least thirty (30) days prior to the normal expiration of the term of this Lease as noted under the heading TERM OF LEASE above, Tenant shall give written notice to Landlord of Tenant's intention to surrender the residence at the expiration of the Lease term. If said written notice is not timely given, the Tenant shall become a month-to-month tenant as defined by applicable New York law, and all provisions of this Lease will remain in full force and effect, unless this Lease is extended or renewed for a specific term by written agreement of Landlord and Tenant.

If Tenant becomes a month-to-month tenant in the manner described above, Tenant must give a thirty (30) day written notice to the Landlord of Tenant's intention to surrender the residence. At any time during a month-to-month tenancy Landlord may terminate the month-to-month Lease by serving Tenant with a written notice of termination, or by any other means allowed by applicable New York law. Upon termination, Tenant shall vacate the premises and deliver same unto Landlord on or before the expiration of the period of notice.

10. OBLIGATIONS AND DUTIES OF LANDLORD:

QUIET ENJOYMENT

11. OBLIGATIONS AND DUTIES OF TENANT:

Tenant shall:

- (a) Keep that part of the premises that he occupies and uses as clean and as safe as the condition of the premises permits;
- (b) Dispose from his dwelling unit all ashes, rubbish, garbage and other waste in a clean and safe manner in compliance with community standards;
- (c) Keep all plumbing fixtures in the dwelling unit used by the Tenant as clean as their condition permits;
- (d) Use in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air conditioning and other facilities and appliances, including elevators, in the premises;
- (e) Not deliberately or negligently destroy, deface, damage, impair or remove any part of the premises or knowingly permit any other person to do so;
- (f) Conduct himself and require other persons on the premises with his consent to conduct themselves in a manner

that will not disturb his neighbors' peaceful enjoyment of their premises;

(g) Inform the Landlord of any condition of which he has actual knowledge which may cause damage to the premises;

(h) To the extent of his legal obligation, maintain the dwelling unit in substantially the same condition, reasonable wear and tear excepted, and comply with the requirements of applicable building and housing codes materially affecting health and safety including the condominium declaration, by-laws and rules and regulations;

(i) Not engage in any illegal activity upon the leased premises as documented by a law enforcement agency;

~~(j) Not install a washer and/or dryer in the demised premises or anywhere else in the building without Landlord's prior written consent.~~

Tenant agrees that any violation of these provisions shall be considered a breach of this Lease.

12. NO ASSIGNMENT: Tenant expressly agrees that the leased premises nor any portion thereof shall not be assigned or sub-let by Tenant without the prior written consent of Landlord.

13. TENANT INSURANCE: Landlord shall not be liable to Tenant, Tenant's family or Tenant's invitees, licensees, and/or guests for damages not proximately caused by Landlord or Landlord's agents. Landlord will not compensate Tenant or anyone else for damages proximately caused by any other source whatsoever, or by Acts of God, and Tenant is therefore strongly encouraged to independently purchase insurance to protect Tenant, Tenant's family, Tenant's invitees, licensees, and/or guests, and all personal property on the leased premises and/or in any common areas from any and all damages. Additionally, Landlord shall not be responsible for any damages proximately caused by conditions that are covered under Landlord's duties in the event same would have been covered by a renter's insurance policy inclusive of the deductible.

Any obligations of Landlord to repair/replace any item and/or fixture of the demised premises shall not extend to damage to personal belonging of the Tenant as a result of the foregoing regardless of whether said damage to Tenant's personal property has been directly or indirectly damaged by the primary damage to the Premises for which Landlord has a duty to repair.

14. CONDITION OF LEASED PREMISES: Tenant hereby acknowledges that Tenant has examined the leased premises prior to the signing of this Lease, or knowingly waived said examination. Tenant acknowledges that Tenant

has not relied on any representations made by Landlord or Landlord's agents regarding the condition of the leased premises and that Tenant takes premises in its AS-IS condition with no express or implied warranties or representations beyond those contained herein or required by applicable New York law. Tenant agrees not to damage the premises through any act or omission, and to be responsible for any damages sustained through the acts or omissions of Tenant, Tenant's family or Tenant's invitees, licensees, and/or guests. If such damages are incurred, Tenant is required to pay for any resulting repairs at the same time and in addition to the next month's rent payment, with consequences for non-payment identical to those for non-payment of rent described herein. At the expiration or termination of the Lease, Tenant shall return the leased premises in as good condition as when taken by Tenant at the commencement of the lease, with only normal wear-and-tear excepted. Tenant shall have the right to remove from the premises Tenant's fixtures placed thereon by Tenant at his expense, provided, however, that Tenant in effecting removal, shall restore the leased premises to as good, safe, sound, orderly and sightly condition as before the addition of Tenant's fixture. Failing this, Tenant shall be obligated to pay for repairs as stated above.

15. ALTERATIONS: Tenant shall make no alterations, decorations, additions, or improvements to the leased premises without first obtaining the express written consent of Landlord. Any of the above-described work shall become part of the dwelling. If carried out by independent contractors, said contractors must be approved by Landlord. Tenant shall not contract for work to be done without first placing monies sufficient to satisfy the contract price in an escrow account approved by Landlord. All work shall be done at such times and in such manner as Landlord may designate. If a construction or mechanic's lien is placed on the leased premises as a result of the work, such shall be satisfied by Tenant within ten (10) days thereafter at Tenant's sole expense. Tenant shall be considered in breach of this Lease upon failure to satisfy said lien.

16. NO ILLEGAL USE: Tenant shall not perpetrate, allow or suffer any acts or omissions contrary to law or ordinance to be carried out upon the leased premises or in any common area. Upon obtaining actual knowledge of any illegal acts or omissions upon the leased premises, Tenant agrees to immediately inform Landlord and the appropriate authorities. Tenant shall bear responsibility for any and all illegal acts or omissions upon the leased premises and shall be considered in breach of this Lease upon conviction of Tenant or any of Tenant's family or invitees, licensees, and/or guests for any illegal act or omission upon the leased premises- whether known or unknown to Tenant. The foregoing shall include obstructions in the common areas or emergency exits.

Tenant shall not utilize the basement or other parts of the

building, none of which are included as part of the leased Premises, for storage without prior written consent of the Landlord.

17. NOTICE OF INJURIES: In the event of any significant injury or damage to Tenant, Tenant's family, or Tenant's invitees, licensees, and/or guests, or any personal property, suffered in the leased premises or in any common area, written notice of same shall be provided by Tenant to Landlord at the address designated for delivery of notices (identical to address for payment of rent) as soon as possible but not later than five (5) days after said injury or damage. Failure to provide such notice shall constitute a breach of this Lease.

18. LANDLORD'S RIGHT TO MORTGAGE: Tenant agrees to accept the premises subject to and subordinate to any existing or future mortgage or other lien, and Landlord reserves the right to subject premises to same. Tenant agrees to and hereby irrevocably grants Landlord power of attorney for Tenant for the sole purpose of executing and delivering in the name of the Tenant any document(s) related to the Landlord's right to subject the premises to a mortgage or other lien.

19. DELAY IN REPAIRS: Tenant agrees that the Landlord shall not be responsible for any repairs that are now or may hereafter be required on the Premises and that all such repairs shall be borne by the Tenants

20. ABANDONMENT: Abandonment shall be defined as the absence of the Tenant from the leased premises for a period of thirty (30) or more consecutive days while rent or any owing monies remain unpaid- whereupon Tenant will be considered in breach of this Lease. This definition is subordinate to, and shall not in any way impair, the rights and remedies of Landlord under this Lease or applicable New York law, except that in case of abandonment, Landlord or Landlord's agents may immediately or any time thereafter enter and re-take the leased premises as provided by applicable New York law, and terminate this Lease without notice to Tenant.

21. NOTICE OF ABSENCE FROM PREMISES: If Tenant is to be absent from the leased premises for thirty (30) or more consecutive days, written notice of such should be served upon Landlord. If such absences are to be customary or frequent, the expected frequency and duration of absence should be summarily noted here:

Tenant expressly agrees and understands that absence from the premises, with or without notice, in no way obviates the requirement to pay rent and other monies as stated herein, or the consequences of failure to timely pay same.

22. POSSESSION OF PREMISES: Tenant shall not be entitled to possession of the premises designated for lease until the security deposit and first month's rent (or prorated portion thereof), less any applicable promotional discount, is paid in full and the premises designated for lease is vacated by the prior tenant.

23. INTENTIONALLY OMITTED. ~~DELAY OF POSSESSION:~~ ~~Tenant expressly agrees that if by reason of the premises being unready for occupancy, or by reason of the previous tenant or occupant of the dwelling holding over, or as a result of any other cause whatsoever, Tenant is unable to enter and occupy the premises, Landlord shall not be liable to Tenant in damages, but shall abate the rent for the period in which the Tenant is unable to occupy the premises.~~

24. MATERIALITY OF APPLICATION TO RENT: All representations made by Tenant(s) on the Application to Rent (or like-titled document) are material to the grant of this Lease, and the Lease is granted only on condition of the truthfulness and accuracy of said representations. If a failure to disclose or lack of truthfulness is discovered on said Application, Landlord may deem Tenant to be in breach of this Lease.

25. MODIFICATION OF THIS LEASE: Any modification of this lease shall not be binding upon Landlord unless in writing and signed by Landlord or Landlord's authorized agent. No oral representation shall be effective to modify this Lease. If, as per the terms of this paragraph, any provision of this lease is newly added, modified, or stricken out, the remainder of this Lease shall remain in full force and effect.

26. REMEDIES NOT EXCLUSIVE: The remedies and rights contained in and conveyed by this Lease are cumulative, and are not exclusive of other rights, remedies and benefits allowed by applicable New York law.

27. SEVERABILITY: If any provision herein, or any portion thereof, is rendered invalid by operation of law, judgment, or court order, the remaining provisions and/or portions of provisions shall remain valid and enforceable and shall be construed to so remain.

28. NO WAIVER: The failure of Landlord to insist upon the strict performance of the terms, covenants, and agreements herein shall not be construed as a waiver or relinquishment of Landlord's right thereafter to enforce any such term, covenant, or condition, but the same shall continue in full force and effect. No act or omission of Landlord shall be considered a waiver of any of the terms or conditions of this Lease, nor excuse any conduct contrary to the terms and conditions of this Lease, nor be considered to create a pattern of conduct between the Landlord and Tenant

upon which Tenant may rely upon if contrary to the terms and conditions of this Lease.

29. ATTORNEY FEES: In the event that Landlord employs an attorney to collect any rents or other charges due hereunder by Tenant or to enforce any of Tenant's covenants herein or to protect the interest of the Landlord hereunder, and Sponsor prevails in such a litigation, Tenant agrees to pay a reasonable attorney's fee and all expenses and costs incurred thereby.

30. HEIRS AND ASSIGNS: It is agreed and understood that all covenants of this lease shall succeed to and be binding upon the respective heirs, executors, administrators, successors and, except as provided herein, assigns of the parties hereto, but nothing contained herein shall be construed so as to allow the Tenant to transfer or assign this lease in violation of any term hereof.

31. DESTRUCTION OF PREMISES: In the event the leased premises shall be destroyed or rendered totally untenable by fire, windstorm, or any other cause beyond the control of Landlord, then this Lease shall cease and terminate as of the date of such destruction, and the rent shall then be accounted for between Landlord and Tenant up to the time of such damage or destruction of said premises as if being prorated as of that date. In the event the leased premises are damaged by fire, windstorm or other cause beyond the control of Landlord so as to render the same partially untenable, but repairable within a reasonable time, then this lease shall remain in force and effect and the Landlord shall, within said reasonable time, restore said premises to substantially the condition the premises were in prior to said damage, and there shall be an abatement in rent in proportion to the relationship the damaged portion of the leased premises bears to the whole of said premises.

32. EMINENT DOMAIN: In the event that the leased premises shall be taken by eminent domain, the rent shall be prorated to the date of taking and this Lease shall terminate on that date.

33. LANDLORD ENTRY AND LIEN: In addition to the rights provided by applicable New York law, Landlord shall have the right to enter the leased premises at all reasonable times for the purpose of inspecting the same and/or showing the same to prospective tenants or purchasers, and to make such reasonable repairs and alterations as may be deemed necessary by Landlord for the preservation of the leased premises or the building and to remove any alterations, additions, fixtures, and any other objects which may be affixed or erected in violation of the terms of this Lease. Landlord shall give reasonable written notice of intent to enter premises except in the case of an emergency. Furthermore, Landlord retains a Landlord's Lien on all

personal property placed upon the premises to secure the payment of rent and any damages to the leased premises.

34. CROSS-DEFAULT PROVISION: An uncured default by the purchaser under his Purchase Agreement will constitute a default under this lease entitling the landlord (i.e., Sponsor-Seller), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar cross-default provision entitling the Sponsor to cancel the Purchase Agreement in the event the purchaser fails to cure a default under his lease within the applicable grace period (if any) and purchaser has vacated the unit. The lessee will have thirty (30) days to vacate the unit after a default under the Purchase Agreement.

35. POLICY ON SMOKING: Smoking and using e-cigarettes of any kind are not allowed in any of the indoor Common Area, including but not limited to lobbies, hallways, stairways, storage areas, etc. see Sections INTRODUCTION and RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS for further details.

36. GOVERNING LAW: This Lease is governed by the statutory and case law of the State of New York. See arbitration agreement.

WITNESS THE SIGNATURES OF THE PARTIES TO THIS RESIDENTIAL LEASE AGREEMENT:

LANDLORD:

Sign: _____ Print: _____ Date: _____

TENANT :

Sign: _____ Print: _____ Date: _____

TENANT :

Sign: _____ Print: _____ Date: _____

TENANT

Sign: _____ Print: _____ Date: _____

TENANT

Sign: _____ Print: _____ Date: _____

State of New York, County of ss:

On the day of in the year 20
before me, the undersigned, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

(signature and office of individual taking acknowledgment _____)

POWER OF ATTORNEY

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

UNIT OWNER'S POWER OF ATTORNEY

THE JUMEL MANSION CONDOMINIUM

The undersigned,
Residing at

The owner of the Condominium Unit No.

In THE JUMEL MANSION CONDOMINIUM consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration recorded the day of , 20 , in the New York County Office of the Register as Document ID#

do hereby nominate, constitute, and appoint persons who may from time to time constitute the Board of Managers of The JUMEL MANSION CONDOMINIUM jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate, or otherwise, on behalf of all Owners of Units whose Owner is said Property, in accordance with their Common Interest, any Units whose Owner desired to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners in all other assets of the Condominium as defined in the aforementioned Declaration, or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorney-in-fact may determine, granting to such attorney-in-fact the power to do all things in the said premises which the undersigned could do, if the undersigned were personally present. In more particular delineation of, but not in derogation or limitation of the power set forth above, the Board of Managers, notwithstanding bankruptcy of any Unit Owner, specifically has the power to do any act or thing, and execute any document necessary to effectuate the purposes set forth in the Declaration referenced above including, but not limited to, Amendment of said Declaration, execution of the Deed conveying condominium property, filing for a severance of tax lots, and any other document or thing reasonable or necessary to effectuate the aforementioned purposes.

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

The Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this day of , 20 .

State of New York, County OF

ss:

On the day of in the year 20 before me, the undersigned, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

FORM OF UNIT DEED

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the day of , 20 by and between

ARCHON EQUITEIS LLC, with an address at 600 Old Country Road, Room 338, Garden City, New York 11530; (hereinafter collectively referred to as the "Grantor"); and

, with an address at
(hereinafter referred to as the "Grantee").

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

ALL of the property known and designated as Condominium Unit No. in The JUMEL MANSION CONDOMINIUM, located at 422 WEST 160TH STREET in the County of New York, Borough of Manhattan, City and State of New York,

WHICH UNIT was designated and described as Unit No. in the Declaration of Condominium establishing a plan for condominium ownership of the lands and building comprising the JUMEL MANSION CONDOMINIUM (hereinafter called the "Property"), made by the Grantor under Article 9-B of the New York Real Property Law, dated and recorded in the Office of the Clerk of the County of New York on as Document ID# (hereinafter called the "Declaration"), which Unit is also designated as Section Block Tax Lot No. on the floor plans of the building certified by . filed simultaneously with said Declaration in the Office of the Clerk of the County of New York as Map No. (hereinafter called the "Unit").

TOGETHER with an undivided _____ percent interest in the Common Elements of the Property described in said Declaration (hereinafter called the "Common Elements").

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining units or Common Elements now existing as a result of construction of the Building, of which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or of the Unit, after damage or destruction by fire or other casualty, or any taking in condemnation or eminent domain proceeds, or by alteration or repair to the Common Elements made by or with the consent of the board of Managers, so that any such encroachment may remain as long as the units stand.

TOGETHER with an easement in common with the owners of other Units to use any roads, pipes, wires, ducts, cables, public utility lines and any other Common Elements located on the property.

TOGETHER with an easement in favor of those units having restricted use of portions of the Common Elements, together with an easement in favor of the Board of Managers, its agents, contractors or employees to have a right of access to the unit and to the Common Elements to inspect, maintain or repair or to make repairs to the unit to prevent damage to the common elements or any other units, to make repairs to the common elements to any wires, pipes, conduits or cable television system servicing any of the units or to make repairs to any other unit.

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit.

TOGETHER with and **SUBJECT** to easements, rights of ways, restriction, declarations, amendments to declarations, agreements, liens, consents, covenants of record and other matters of record as pertain to the Unit, to the Land and/or to the Building; any other agreements pertaining to the property; and utilities as built and existing as of the date hereof.

TO HAVE AND TO HOLD, the same unto the Grantee and the heirs, successors and assigns of the Grantee, forever.

Except as otherwise specifically permitted by the Condominium Board (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, the Unit is intended for residential use.

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

The Grantor, in compliance with Section 13 of the Lien Law, covenants that it will receive the consideration for this conveyance as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purpose.

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

The Grantee has examined the Unit and is purchasing the same in its existing condition.

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

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

IN WITNESS WHEREOF, the Grantor has duly executed this Indenture as of the day and year first above written.

IN PRESENCE OF:

GRANTOR: ARCHON EQUITIES LLC

GRANTEE

State of New York, County OF _____ ss:
On the _____ day of _____ in the year 20____ before me, the undersigned, personally appeared _____ personally known
to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the
individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

**DESCRIPTION OF PROPERTY AND
IMPROVEMENTS**

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

Success Best Design, Inc.
196-57th Avenue, 1st Floor
Flushing, NY, 11358

Jumel Mansion Condominium
Description of Property and Specifications for
422 West 160th Street, New York, NY 10032

Subject: Architect-Engineer Report for proposed Condominiums for 422 West
160th Street, New York, NY 10032
Date: December 20th, 2019

§20.7 Description of property and specifications or building condition.

The information contain herein has been obtained from available record in NYC Department of Buildings (DOB), the Department of Air Resources, the Department of Environmental Conservation. This report conforms to outline promulgated by Attorney General of the State of New York. The basis for the report is the "Plans Specification" on file in the office of Architect. It is to be noted that no written specification was provided to architect for this report. Specifications contained in this report were obtained from general contractor, sub contractors and by visual observation.

§20.7(a) Location and Use of Property

- a) The property is located beginning at a point on the southerly side of 160th Street, distant 183.37 feet easterly from the corner formed by intersection of the easterly side of St. Nicholas Avenue and the southerly side of 160th Street in the Borough of Manhattan, The City of New York. The sponsor states that the Zoning and proposed use will comply with all Zoning and use requirements.
- b) The property is in Zoning District R7-2, Block No. 2109, Lot No.29. The property is a 4-story building with basement. The basement through 3rd floor are used for residential use on this property.
- c) The official address of the building is known as 422 West 160th Street, New York City.
- d) The nearest hydrant is located Northeast side of West 160th Street, 239 feet distance from corner of St. Nicholas Avenue.

§20.7(b) Status of Construction

- a) The existing building was built in 1910 and classified as 3 per Pre-1968 building code of the City of New York, in which the existing walls, exitways, shafts, structural members are constructed of non-combustible materials and assemblies affording the fire resistance rating of two hours. The construction

of existing 4 story structure Single Room Occupancy (SRO) with sprinkler had completed and passed inspection in 1940 under SPR 843 from NYC Department of Buildings. No Certificate of Occupancy is issue for any buildings was built prior 1938.

- b) In 1991, an application has filed an alteration to convert existing Single Room Occupancy (SRO) to legal 4 "Class A" apartments under application job number 100258025 units had completed and passed inspection on October 11th, 2014 by NYC Department of Buildings. Certificate of Occupancy number 100258025F was issued on July 23rd, 2015
- c) In 2016, an application has filed an Alteration job number 122519952 to rehab entire existing interior and proposed new 3 story enlargement at rear. Rehabbing existing 3 story plus basement are under pre-1968 code review and new 3 story plus basement under 1968 code review. All new plumbing, mechanical system, electrical, NYCECC 2014 and sprinkler works under 2014 Building Code. The new 3 story rear portion enlargement was completed on August 15th, 2018. There is no requirement to meet the Law's standards in an existing building to provide handicap accessibility under Local Law 58/87.
- d) Rehabbing existing building includes all new hardwood flooring, new partition walls and ceiling, new kitchen, new bathrooms, new appliances, new water and gas piping and new mechanical system under same job number 122519952. The new electrical wiring and outlets under electric application number Z163838.

§20.7(c) Site

- a) The size of the Tax Lot 29 is approximately 1,800 square feet as per tax map effective date on December 3rd, 2013 by NYC Department of Finance. There is one (1) building on the site. This is an existing residential building and located at the Sourh West side of the corner formed by intersection of West 160th Street and St. Nicholas Avenue in Manhattan, New York City and one way traffic on West 160th Street. This property also located inside Landmark Historic District of Jumel Terrace and not located in fire district.
- b) The building has an existing manhole on the sidewalk in front of this property connecting existing 12" combined storm and existing sanitary drainage system that is connected to the existing mains in the city street.
- c) The existing streets are public streets paved with asphalt and existing public street lamp post located 15 feet sountheast from property line are maintain by NYC Department of Transportation (DOT) and will have concrete sidewalks with steel faced concrete curbs are maintain by Jumel Mansion Condominium. There is no catch basin in front of this property and the nearest catch basin located at intersection Nicholas Avenue and West 160th Street.

- d) The existing width sidewalk is 9 feet and is in good condition. The sidewalk is free of tripping hazard and ponding sloped down to the street. It is an accessible and is maintain by Jumel Mansion Condominium. There is no sidewalk vault in front of this an existing building. There is one traffic sign on the existing sidewalk in good condition.
- e) Condominium do not need to obtain "Right of Egress" from adjacent buildings as this an attached row building.

§20.7(d) Utilities

- a) Electricity is supplied by Con Edison Company through underground conduit, which is government regulated. There is one electric meter from Con Edison Company for the building. There is one meter for each apartment.
- b) Water: There is one 20 inches water main at St. Nicholas Avnue and one 12 inches water main at West 160th Street serviced by New York City Water Board. A tap connection to the building for domestic use residential use and fire system. There is one meter shared for all apartments.
- c) Combined sewer: There is a city owned 42" x 28" combined sewer in St. Nicholas Avenue and is currently maintained by New York City Sewer Department. The condominium is responsible for repair of any damage to this combined sewer. There is rental charge for sewer connection to this street sewer, and the sewer rents pay to the City of New York and there is one meter shared for all apartments.
- d) Existing gas supplied to the building by Con Edison Company, which is government regulated. There are two gas meters with four apartments sharing and it is fully maintain by the sponsor.
- e) Telephone service is by Verizon Company and will be subscribed by the owner of each condominium units.

§20.7(e) Sub-Soil conditions

- a) There did not appear to be any danger from flooding, either due to water table in the area or an overflow from other bodies of water. There were no signs of potential mudslides or erosion, moisture and water ground infiltration observed.
- b) There are no any sign of cracking existing mortar, foundation movement and foundation cracking. The new reinforced foundation and retaining wall was designed with rebar #5 bothway which is 3000 psi strength to support exterior wall, wind load and live load for 3 stories enlargement at rear under DOB job number 122519952. The proposed new 4" thickness reinforced concrete slab

with wire mesh 6x6 - w2.0 x w2.0 at new enlargement in cellar is protected with 2 mil. polyethylene sheet underneath the new slab to prevent any moisture from ground.

- c) There are no water table at site and full of rocks and stones observed during 8'-0" depth excavation from existing rear yard level. Progress inspection by on-site special inspector engineer was performed during excavation.

§20.7(f) Landscaping and enclosures

- a) New landscaped at rear yard with gravel stone and grass on ground started 15'-6" from rear façade.
- b) New 6'-0" height vinyl fence to be installed 1" offset from property line surrounding existing rear yard.
- c) There is an existing 3'-0" wide gate at entrance from street to apartment unit 1.
- d) There is 2'-4" height retaining wall and no garden wall at front of existing building. The existing concrete slab, 10'-0" x 11'-4" and retaining wall are in good condition at front yard.

§20.7(g) Building size

- a) The existing building is 4-story and cellar. The total existing height measures from ground level to the top of the roof slab is 40'-0" high above top existing curb level.
- b) There is an existing cellar in the building and 9'-10" below top curb level. Warning signs for low ceiling are required as it does not meet the minimum 7 feet for non-habitat rooms in cellar.
- c) The existing floor-to-floor average height for the typical floors are 10'-6". The parapet height above roof is 4'-0".
- d) There is 4'-0" height existing parapet wall from existing top slab on roof with exterior front architecture steel mould facing West 160th Street and 4'-0" height new galvanized guardrails facing rear yard on the top slab of existing roof. There is no any parapet wall between adjacent building lot 28 (424 West 160th Street) and lot 30 (420 West 160th Street).
- e) One equipment room in cellar where one boiler and one hot water heater sharing for all apartments installed in this room.

§20.7(h) Structural System

The new structural system at new 3 story at rear are reinforced concrete foundation and reinforced concrete bearing wall from cellar to rear yard level. The new 8" hollow cmu block with 1:2 mortar ratio core filled and rebar #4 every 16" c/c begins from rear yard level through 3rd floor.

i) Foundation:

- a) Existing foundation: The existing foundation was reinforced concrete are in good condition. We do not notice any sign of distress and crack in the building.
- b) New foundation: The new reinforced rebar #5 bothway 12" c/c. footings (32"(w) x 30"(d) below 8'-3" from grade. New foundation system is accurately sized to support the calculated load based on soil capacity 4,000 psf to support 40 psf live load and 40 psf dead load per story for residential building complied with BC Chapter 18.
- c) Retaining wall: The new 12" thick retaining wall are 3000 PSI controlled concrete with rebar #5 @ 12" c/c bothway at new 3 story enlargement at rear.
- d) Location: Both new reinforced foundation and retaining wall erected beginning starting point at the length 11'-0" towards to rear yard from rear existing building facade and the width is 17'-10".
- e) Water proofing: All new reinforced retaining walls are coated on positive sides with water proofing coating Drylok Extreme manufactured by Global Industrial.
- f) Slab: The new slab on grade at new enlargement portion is 4" thickness concrete slab with wire mesh 6x6 - w2.0 x w2.0 for the cellar level and is protected with 2 mil. polyethylene sheet underneath to prevent any moisture from ground at rear new enlargement.
- g) Underpinning: There is no underpinning between both adjacent existing building
- h) Drainage: There is no subgrade drainage at exterior foundation. There is a new internal drainage system which relieves the hydrostatic pressure and high water table against the foundation that is caused by poor drainage and tend to clog easily in the long term on the exterior of the foundation. The new 4" perforated pvc pipe schedule 40 rating installed along the foundation with backfill crushed stone and slope toward to sump in the cellar where discharged by using sump pump.
- i) Frost protection and insulation below grade: The new foundation is insulated with rigid R-15 at both side exterior and interior below slab on grade extended to side of foundation.

ii) Floors:

- a) All existing floor joists and sub-flooring to be remained.
- b) New floor system is metal decking and C-joist designed 40 live load psi at rear new enlargement
- c) Controlled concrete shall comply with all ACI specifications as per ACI 318-83 standards
- d) All new reinforcement steel shall have an ultimate tensile strength of 90,000 PSI as per ASTM A615-60.
- e) All new flooring on both existing and new floors are Armstrong 8mm laminate flooring over Quiet Comfort Premium Underlayment which is class IIC 54 impact rating accordance to ASTM E492 and compliance with minimum IIC 50 in BC 1207.3 and R-19 cavity insulation between steel joists for sound barrier at new enlargement. Existing sound barrier at existing floor will be remained.

I) Exterior of Buildings

- i) Walls:
 - a) Existing superstructural system is poured in place reinforced concrete footing and retaining walls at cellar level. Existing brickwall started at basement floor level through 4th floor. As per physically observed of the foundation, cellar floor, exterior wall brickwork, lintels, parapets, copings, and chimneys; we do not notice any sign of distress in the building.
 - b) Existing front façade masonry is in good condition and divided into two sections. The 1st section is stone finished masonry with random stone cladding which is 8 feet height above front yard and 2nd section is brick finished started above stone masonry until top of building.
 - c) New exterior walls at rear new 3 story are with one inch gap between cmu hollow block with 1:2 mortar ratio core filled and rebar #4 every 16" c/c and 4" face brick and provide weep hole at 16 c/c to prevent water intrusion in the building.
 - d) All exterior metals including fasteners are painted with anti corrosion resistant non-lead paint.
 - e) Local law 11 of 1998 is inapplicable as this building 4 stories in height which is not more than 6 stories as defined by section BC 27-129.

- f) All new exterior wall are insulated with cavity R-19 Ecotouch Pink Kraft Faced manufactured by Owens Corning.
- ii) Windows:
 - a) All existing wood frames at front façade to be kept and the windows are insulated double-glazed windows and there's no sign of leak through windows or walls as per building management statement. There is no lot line window and window well as all the apartments' windows are facing the street and rear yard.
 - b) All new habitat rooms in all the apartments are provided with minimum of 10% per square footage for light and air. All new double hung windows at new enlargement at rear are install with brand 400 series low "E" double glaze manufactured by Anderson. Anderson windows are covered by 20 years warranty on glass and 10 years on non-glass parts. All new window to be installed weatherstrip in accordance with the manufacturer's instructions. Caulking to be used to seal between walls and windows to prevent "Thermal Bridging" to achieve air infiltration to not exceed 0.30 cfm in compliance NYCEECC code.
- iii) Landmark status: This existing building located inside Landmark Historic District of Jumel Terrace due to located near to Morris-Jumel Mansion. The Jumel Terrace Historic District, designated by the Landmarks Preservation Commission in 1970, stretches from St. Nicholas Avenue to Edgecombe Avenue, from the south side of West 160th Street to the north side of West 162nd Street. It includes The Morris-Jumel Mansion (once the headquarters of George Washington) and Roger Morris Park within its borders.

II) Parapets and coping

Parapet walls: New 3'-6" height parapet walls from floor at 3rd floor terrace to be installed with rebar #4 @ 16" center to center to firmly secured in place and weep holes at 24" c/c. The new limestone coping with slope on top and drips at bottom to shed off water.

III) Chimneys and caps.

- a) One chimney inside boiler room in cellar. One boiler and one hot water heater vent through this chimney from cellar to roof.
- b) The chimney lined with filled in clay tile and such lining is in good condition.
- c) There is no any fireplace in this building.

IV) Balconies and terrace

- a) There is no any balcony on this building
 - b) One new terrace at rear located on 3rd floor is an accessory to apartment unit 4. This new terrace space is not listed in current Certificate of Occupancy and it is not requiring amended Certificate of Occupancy stated in Building Bulletin 2018-002, paragraph E.
 - c) This terrace protected by masonry and cmu block as a 3'-6" height parapet wall surrounding.
 - d) The terrace is 4" thickness concrete slab onto 1-1/2" 20 gage metal deck and insulated with R-38 cavity insulation between joists where installed below deck complied with 2014 NYCECC table 402.1.1. 2 years warranty by installer.
 - e) Water proofing is not Inverted Roof Membrane. Proposed new sheet based water proofing membranes laid on R-25 rigid insulation where placed on top of new 4" thick concrete slab.
 - f) The maximum occupant load at terrace is 4 persons.
- i) Terrace deck finish:
- a) The new deck is painted with aluminium protective paint onto water proofing membrane and this deck is 60 lbs/sf withstand daily foot traffic limited common element accessory to Unit 3 and it is 2 years warranty by installer.
 - b) This aluminium protective paint coating is not walkable and added to Special risk recoating every two years to prevent any premature damages, deterioration to unit purchasers.
 - c) There is no rubber roof covering and cladding attached or adhered on this terrace.
- ii) Terrace doors:
- a) One new hardwood door manufactured by Simpson door company access to terrace.
- iii) Terrace drainage:
- a) The new floor surface is sloped toward to one 4" diameter inlet roof drain at terrace to prevent any water ponding. No secondary drainage provided as not applicable under 1968 Building Code review.

- b) The Sponsor will responsible to file a claim premature damages and leaks to waterproofing's installer and any damages caused in the apartments below terrace.
- c) The sponsor will manage the building's superintendent to inspect any possible leak in Apartment Unit 3 and 4 every month to ensure all the drainage functioning and in good condition. If any cases the leak cause damage to apartment units, the sponsor responsible all the losses by the unit owners and hire a licensed master plumber to repair the defective drainage. This will added to Special Risk.

iv) Terrace: Bond or guarantee

- a) The new terrace and water proofing assembly will be warranted by installer for premature damages, deterioration and leaks.
- b) Sponsor is not providing "No Dollar Limit (NDL) manufacturer's warranty for the new terrace and added to Special Risk \$2,000 for any premature damages, deterioration and leaks to unit purchasers.

V) Exterior entrances

- a) Entrance: There are two existing entrances to the building to remain. The first is an entrance to the basement level and gives access to Unit 1 and the cellar through a common hallway. The second is an entrance to the building, located at the 1st floor and gives access to Unit 2, Unit 3 and Unit 4 through a common hallway. Both entrances are good condition and no any damages observed.
- b) Doors: 1st floor entrance door, the door is existing consists of hardwood with 1 ½ hour fire rating. The doors separating the frame into 2 separate interior and exterior pieces joined with a less conductive material between reduces temperature transfer.
Basement entrance door, the door is new steel 1 ½ hours fire rated manufacturer by L.I.F Industrial loacted at foyer. The thermal break installation as per manufacturer instruction.
- c) Stairs: The first existing concrete stair access to 1st loor is located left side of the building with 8 risers which is 8.5" height each and 10" tread width each. The second entrance concrete steps is directly from sidewalk through front yard access to basement level with 3 risers concrete steps which is 8" height each and 10" width each. Both stairs are good condition. No any damages and crack observed.
- d) Drainage: There is one existing area drain at front of building to prevent water ponding.
- e) Mailboxes: There are new 4 federally approved mailboxes on the east wall

of the hallway.

- f) Communication: There are new bells and intercom locks system at the vestibule.
- g) Walls: Existing masonry wall is in good condition and divided into two sections. The 1st section is stone finished masonry which is 8 feet height above front yard and 2nd section is brick finished started above stone masonry until top of building
- h) Lighting: There two existing wall mounted lights at the entrance to 1st floor and one existing light at entrance to basement.
- i) Railing: There is existing 3'-0" height masonry brick guard both sides on top of existing concrete stair access to 1st floor.

VI) Roof and roof Structures

- a) Existing roof is rolled roofing with waterproofing membrane adhered on roof and surface is in good condition. There is no sign of potential leaking or damages. The sponsor must hire a Professional Engineer and a waterproofing company to perform inspection every 10 years to maintain the good condition of the roof and complied with BC 1507 and 1609. Existing roofing system is to remain.
- b) Parapet walls – Steel pattern mould, CMU & brick with height 3'-6" height from floor facing West 160th Street
- c) There is 3'-8" height galvanized existing guardrail facing rear yard on the top of roof.
- d) There is no mechanical equipments mounted on the roof
- e) There are four new skylights with brand 400 series low "E" double glaze manufactured by Anderson. All skylights are installed sit on 6" height raised curb with new metal flashing surrounding and new water proofing membrane on top finished.
- f) There are one chimney and one kitchen exhaust with both exhaust fan motor devices.
- g) The roof is sloped down toward rear yard.
- h) There is one existing 5" aluminium gutter and leader to remain along horizontal width of building at rear in good condition and drain down to existing house trap in cellar and then will flow out with sump pump to the existing 12" public combined sewer under West 160th Street. .

- i) There is no exterior stair and fire escape on both front and rear façade.
- j) This rooftop was lawfully existing set forth in Bulletin 2/2011 (rev. 4/2016), any rooftop arrangements existing on July 1, 2008 that are not in compliance with the requirements of the NYC Fire Code will not be required to be brought into compliance.
- k) The new terrace space is not listed in current Certificate of Occupancy and it is not requiring amended Certificate of Occupancy stated in Building Bulletin 2018-002, paragraph E.
- l) New cavity insulation R-19 between floors and surrounding building envelope. New cavity insulation R-38 at roof.
- m) There is one existing 14 gauge galvanized steel roof hatch, 30" x 36" in size access to roof via a existing 24" width ladder from the landing at Unit 4 entrance.

VII) Yard and Courts

- a) Yards: There is 35'-2" by 18 feet yard at rear is owned by Apartment unit 1 at basement. Owner of Apartment unit 1 are obligated to maintain the cleanliness, cutting of the overgrown lawn and the safety of the rear yards. No storage, shed, any structure or any hazardous substance, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors are to be stored and placed in this area.
- b) Stairs: There are two new accesses to rear yard. The 1st access is located right side of the building with 4 risers concrete steps lead to basement, apartment unit 1 and the steps width is 4'-0". Second access is 3'-6" wide concrete stair and located left side of the building lead to cellar with 10 risers concrete stair.
- c) Walls: Front yard; Existing front façade masonry is in good condition and divided into two sections. The 1st section is stone finished masonry which is 8 feet height above front yard and 2nd section is brick finished started above stone masonry until top of building. The total existing building facade height is 40'-3" above top curb level and 2'-4" below top curb level.
- d) Railing: Both new stairs are guarded with 3'-6" height steel vertical pickets design railing not creates "Ladder effect" and not required to list in Special Risk.
- e) Drainage: One new 3" diameter area drain at landing to prevent any water ponding access to cellar.

- f) Lighting: One new wall mounted lamp on top of the both entrance.
- g) Doors: All new doors at entrance are exterior hardwood Simpson's door.
- h) Planting: This existing rear yard is planted with new grass.
- i) Fencing: There is existing 6'-0" height galvanized chain link fencing surrounding this area.
- j) Court: There is no court yard on this lot.
- k) Paving: Existing concrete pad paving at front yard. New 3'-5" wide and 4" thick concrete pad walkway at rear yard.
- l) Retaining wall: There is new 8" thickness with rebar #5 bothway at 12" c/c concrete 6'-4" height retaining wall at stair lead to cellar at rear yard. New retaining wall is accurately sized to support the calculated load based on soil capacity 4,000 psf to support 40 psf live load and 40 psf dead load per story for residential building complied with BC Chapter 18.

VIII) Interior stairs

- a) There are one set of interior exit stair in the building. The stair start at the cellar and connecting to basement, 1st, 2nd and 3rd floor. All horizontal railing at stairwell are 3'-6" height from basement thru 3rd floor.
- b) Stairs are constructed of wooden stair include wood material for risers, treads, guard rails and balustrade.
- c) There is one skylight 2'-8" by 5' provided on the top of stairwell on the roof.
- d) Typical fluorescent lighting are provided in the stairwells
- e) There is 2 hours rating enclosed stair and hallway dividing apartments every floors and also protected by existing automatic sprinkler system.

IX) Interior doors and frames

- a) Apartment's entrance doors are hollow metal with hollow metal frames and 1-1/2 hours fire rating.
- b) Cellar doors to be hollow metal with hollow metal frames and 1-1/2 hours fire rating.
- c) Entrance's door is hardwood door and no fire rating required as defined

in 1968 BC 27-371(a)(1).

§20.7(i) Auxiliary facilities.

a) Refuse Disposal: Refuse disposal area is located south east side of front building between street wall and sidewalk. Owners should not place refuse on the sidewalk on days other than days of collection may result in a fine or penalty being levied against the building, which, in turn, the Board of Managers would seek recompense for from the individual unit owner. The garbage pick up by the NYC Sanitation Department.

b) Storage rooms- There are 3 accessory storage rooms located in cellar. These storage rooms are enclosed with 2 hours rated wall/ceiling and 1-1/2 hours fire rated doors. The unit owners can be accessed to their storage rooms via existing stair from basement. Sponsor is not providing any security and responsible owner units' belongings stored in their accessory storage in cellar.

- i) Storage 1 (7'-5" x 5'-2") = 38 sf) accessory to apartment unit 1
- ii) Storage 2 (7'-5" x 5'-11" = 44 sf) accessory to apartment unit 2.
- iii) Storage 3 (7'-5" x 5'-10" = 44 sf) accessory to apartment unit 3.
- iv) Storage 4 (5'-6" x 3'-11" = 21 sf) accessory to apartment unit 4.

c) There is one laundry room each inside apartment unit 2, 3, 4 and one laundry room located in rear cellar accessory for apartment unit 1.

d) All washers and dryers are manufactured by Electrolux.

- i) Washer, model number EFLS210T1W00
- ii) Dryer, model number EFDE210T1W00

§20.7(j) Plumbing and drainage.

a) Water supply:

i) The existing domestic water supply is being provided by a duplex water pressure booster system consisting of two centrifugal pumps, one 150 psi/g pressure rating tank and pressure regulating valves. This cold water supply system and main shut-off valve are located in the cellar sump pump room and it appeared in very good condition.

ii) New hot and cold water piping are insulated with 1" thickness R-3 rubber foam insulation complied with NYSECC, section R403.

b) Fire protection system, FA central panel system:

- i) There is existing pendent head type sprinkler system installed at means of egress stair and hallway on cellar, basement through 3rd floor was approved on 10/22/1940 and completed on 2/9/1940 under alteration number SPR 843. All fire protection system supplied with a sprinkler system by 3" fire Sprinkler main.
- ii) There are new pendent head type sprinkler heads installed in new bedrooms at Unit 1, 2 and 3.
- iii) The material of the sprinkler pipes are black steel, schedule 40 pipes.
- iv) The sprinkler heads are the normal temperature range from 135 to 175 degree F.
- v) Provided every each 15 feet Smoking and carbon monoxide alarm: Kidde Electronics, Model #SC6120B in hallway, stairwell, apartments and in each bedroom with one under application number 122519952 was approved on 2/22/2017. It is maintain and safely operated by unit owner.
- vi) There are no fire alarm system and siamese connection in this building.
- vii) Sprinkler schedule:

Unit	Location	Condition	Type	No. of Head
1	Bedroom	New	Pendent	2
	Hallway	Existing	Pendent	1
2	Bedroom	New	Pendent	2
	Hallway	Existing	Pendent	1
3	Bedroom	New	Pendent	2
	Hallway	Existing	Pendent	2
4	Hallway	Existing	Pendent	2

c) Sanitary sewage system:

- i) The sanitary sewage collection system is of extra-heavy 6" cast iron pipe. A duplex sewage ejector pumps and one sump located in cellar are in good operating conditions.
- ii) Disposal of sanitary is by gravity flow to the combined sewers located in the bed of West 160th Street.
- iii) There is one new sump pump is manufactured by Liberty Pump located in cellar. The specification are:
 Model: P373LE71
 Capacity: 3/4 hp.
 Warranty: 3 years
 Efficiency: not rated by manufacturer.

d) Storm drainage systems:

- i) There is one existing 5" aluminium gutter along horizontal width of building on roof at rear and drain down to existing house trap in cellar and then will flow out with sump pump via 6" xhci to the existing 12" public combined sanitary and sewer nunder West 160th Street.
- ii) There is one roof drain on terrace at 3rd floor.
- iii) There are two area drains, one existing area drain at the landing of the existing exterior stair at the building and one new area drain at the rear yard, located at the landing of the new stair lending to the cellar.
- iv) There is no drywell at rear yard.

§20.7(k) Heating

- a) Each unit owner is responsible for the cost of maintenance and replacement of sharing one domestic hot water heater and one space heating Boiler.
- b) Heating and domestic hot water will be provided by one boiler and one hot water heater to all four apartments. The boiler and hot water heater are in cellar. Water is heated in the boiler by gas and then pumped throughout the units via the piping network equipped with baseboard radiators (copper tubing with aluminum fins) that ultimately distribute heat into the units. The heating system will be maintaining an ambient temperature of 70 degree Fahrenheit. Programable thermostat installed every each inside apartment.
- c) One new gas boiler is manufactured by: Williamson
 - i) Specification for gas boiler:
 - Brand: Williamson
 - Model#: GWA-210
 - Firing Flues -- Natural Gas
 - Capacity: 210,000 BTU input
 - Efficiency: 80.5% A.F.U.E.
 - Warranty: a) heat exchanger; 10 years
 - b) All other parts; 1 year
 - ii) This boiler is equipped with a control system that automatically adjusts a time delay period to turn on the boiler during a call for heat. This is accomplished by circulating available hot water in the system while measuring water boiler water temperature changes. The control calculates a suitable delay based on temperature measurements and turns the boiler on only after it determines that the demand for heat cannot be satisfied with the available hot water, Due to the wide variety of controls used in boiler installations, this control is also equipped with an

adjustment for the calculated time delay period (Economy Adjust)

- d) One new hot water heaters are manufactured by: A.O. Smith
 - i) Specifications for Hot Water Heater:
 - Brand: A.O Smith.
 - Model#: BTR-200, 2 gpm@ 15ft. head, 1.3 amp rating 110V, 1 ph, 60 hz.
 - Firing Flues – Natural Gas
 - Capacity: 100 gallon / 99,000 BTU input
 - Efficiency: 80% A.F.U.E.
 - Warranty: 3 years
- e) Steam hot water convertor with expansion tank and air seperator generating the hot water for the heating system.
- f) One hot water system circulating pumps, pumping hot water to the perimeter fin-tube radiations, convectors, cabinet heaters and unit heaters
- g) There are galvanized 6" diameter 24 gauge for boiler and 4" diameter 24 gauge for hot water heater piping with R-3 insulated concealed into one 6" thick masonry chimney from cellar to roof.
- h) All major components of the heating system appeared to be in good condition and has been sufficiently operating and no major problem.
- i) Operation and Maintenance (O & M) and original balancing report are provided by Sponsor.

§20.7(l) Gas supply

- a) Existing gas is supply to the building by Con Edison Company, which is government regulated. There are two gas meters with four apartments sharing and it is fully maintain by the sponsor.
- b) There is 1" black iron gas pipes supply from cellar through 3rd floor connecting to gas appliances.

§20.7(m) Air conditioning

Individual ceiling mounted air condition with heat pump unit is provided in each habitable room of residential unit. The unit owner (tenant) will responsibility for the maintenance of each air condition unit.

Provided multi-zone split unit air conditioning system every each apartment as follows:

a) Apartment unit 1 at cellar and basement.

i) Indoor unit (air handler),

Living area, Brand: Mitsubishi
Model: MLZ-KP12NA

Bedroom 1, Brand: Mitsubishi
Model: MLZ-KP09NA

Bedroom 2, Brand: Mitsubishi
Model: MLZ-KP09NA

Accessory space at cellar, Brand: Mitsubishi
Model: MLZ-KP09NA

ii) Outdoor unit (air condenser) at roof,

Brand: Mitsubishi
Model: MXZ-4C36NA2
Capacity: cool, 35,400 btu/h
 heat, 36,000 btu/h
Seer: 19.2
Hspf: 11
Warranty: 5 years

b) Apartment unit 2 at 1st floor

i) Indoor unit (air handler),

Living area, Brand: Mitsubishi
Model: MLZ-KP18NA

Bedroom 1, Brand: Mitsubishi
Model: MLZ-KP09NA

Bedroom 2, Brand: Mitsubishi
Model: MLZ-KP09NA

ii) Outdoor unit (air condenser) at roof,

Brand: Mitsubishi
Model: MXZ-3C30NA2
Capacity: cool, 28,400 btu/h
 heat, 28,600 btu/h
Seer: 19.2
Hspf: 10.6
Warranty: 5 years

c) Apartment unit 3 at 2nd floor

i) Indoor unit (air handler),

Living area, Brand: Mitsubishi
Model: MLZ-KP18NA

Bedroom 1, Brand: Mitsubishi
Model: MLZ-KP09NA

Bedroom 2, Brand: Mitsubishi
Model: MLZ-KP09NA

ii) Outdoor unit (air condenser) at roof,

Brand: Mitsubishi
Model: MXZ-4C36NA2
Capacity: cool, 35,400 btu/h
heat, 36,000 btu/h

Seer: 19.2

Hspf: 11

Warranty: 5 years

d) Apartment unit 4 at 3rd floor

i) Indoor unit (air handler),

Living area, Brand: Mitsubishi
Model: MLZ-KP18NA

Bedroom 1, Brand: Mitsubishi
Model: MLZ-KP09NA

ii) Outdoor unit (air condenser) at roof,

Brand: Mitsubishi
Model: MXZ-3C30NA2
Capacity: cool, 28,400 btu/h
heat, 28,600 btu/h

Seer: 19.2

Hspf: 10.6

Warranty: 5 years

e) All outdoor hvac refrigerant and liquid pipes to be insulated R-3.

§20.7(n) Ventilation

Mechanical ventilation provided with 140 cfm in bathrooms and 400 cfm in kitchens in all apartments.

i) All toilets ventilated with new exhaust fans.

- Model#: Hampton Bay, BPT18-54A-1, 140 CFM@ 0.2 in wg static pressure, 120v, 1ph, 60hz. Fan is turn on or off by the toilet light switch. Sound level is 1.0 sones
Exhaust duct is 6" diameter 30 gauge galvanized steel to roof.

ii) All kitchens ventilated with new exhaust fans.

- Model#: Zephyr, Z6H, 120 CFM@ 0.2 in wg static pressure, 108v, 1ph, 60hz. Fan is turn on or off by the kitchen exhaust hood. Exhaust duct is 10" diameter 30 gauge galvanized steel to roof. Sound level is 6.5 sones at maximum (390 cfm)

iii) Accessory space in cellar ventilated with air conditioning include laundry room

Brand: Mitsubishi

Model: MLZ-KP09NA

iv) All existing corridor and common interior stair ventilated with new operable skylight 2'-8" x 5'-0" at roof.

v) Existing boiler room ventilated with existing 18" x 18" fresh air intake duct from rear yard.

vi) Existing space in cellar ventilated with 10" x 10" fresh air opening on top existing sprinkler valves area from outside under the existing exterior stair to 1st floor.

§20.7(o) Electrical system

1) Service from Con Edison:

Electric main underground from Con Edison main located in the street. The building will have 200 amperes, 120/208 Volt, 2-wires connected to the main switch panel to be located in the cellar electric room. There will be a total of 5 meters: 4 meters for residential units and 1 meter for building common area usage.

2) Service to Building:

One (1) 200 amperes, 2 phases 120/208 volt, 2 phase 2-wires main panel.

3) Service to individual units:

The residential units (4 units), each unit will be supplied with 80 amperes, 120/208 volt, 1 phase 2-wires in circuit breaker panel. GFCI will be provided for all units' bathrooms and Kitchen. Each unit will have separate fixtures and convenience outlets installed water approve with GFCI outlets in accordance with the NYC Electrical Codes including separate outlets for air conditioning equipment.

4) Specify wire material:

The building has several kinds of wiring/cable. The number 6 wiring is used for HVAC, the number 8 wiring is used for oven, the number 12 wiring is used for all light fixture outlets, switches for apartment and public area, stairs, mechanical rooms. Different kinds of wiring/cable for telephone, intercom, and internet are used for all apartments.

5) Adequacy:

- a) Each unit has 12 circuits. The electrical system is adequate to handle all modern appliances, lights, receptacles, condensing unit, hot water heater and sufficient outlets.
- b) Each unit has adequacy wired/battery backup operated combine smoke/carbon detector at the unit.
- c) Water –resistant receptacles outlets will be provided in main roof and roof terrace and installed in accordance with the NYC Electrical Codes.
- d) There is NO generator provided at the building as provisions for electricity supply during outages.
- e) All installation electricity and wiring complied with The New York City 2011 Electrical Code (Local Law 39 of 2011)

f) Circuits and Outlets:

i) By Circuits 20 per Apartment and Capacity to the Appliances schedule:

Appliances	Capacity
Air Conditioner	40AMP
Dish Washers	20AMP
Cloth Dryer	20AMP
Microwave	20AMP
Refrigerator	20AMP
Wash Machine	20AMP

ii) By: Room by Room Outlets Schedule:

Floor	No. of Apt.	Living room	Kitchen	Bath room GFI	Bed Room	Master Bed Room	Bath Room GFI	Laundry room	Outlets
Cellar	Common area								6+1
Accessory Use Storage, Boiler, Sump Pump									

Room									
Basement/F conjunction with cellar	1 unit	8	4 GFI + 1 2	4	6	1	1 GFI+ 1(240V)	3	
1 st floor	2 unit	9	4 GFI + 1 3	5	6	1	1 GFI+ 1(240V)	1	
2 nd floor	3 unit	10	5 GFI + 1 3	5	6	1	1 GFI+ 1(240V)	3	
3 rd floor	4 unit	7	3 GFI + 1 3	0	6	1	1 GFI+ 1(240V)		
Hallway:	Common								
Cellar,	area							1	
basement,								1	
1-3 floor								1+1+1	
Total	4								

g) Lighting schedule:

Item	Location	Type	Size of lamp/shade	Make/Mode #
1	Residential bedroom	Recess	"4" round	TCP/ Ultra Thin Led Downlight
2	Residential living room	Recess	"4" round	TCP/ Ultra Thin Led Downlight
3	Residential kitchen	Recess	"4" round	TCP/ Ultra Thin Led Downlight
4	Residential Bathroom	Recess	"4" round	TCP/ Ultra Thin Led Downlight
5	Mechanical room & meter room	Ceiling mount	"4" round	TCP/Ultra Thin Led Downlight
6	Stair	Recess	"4" round	TCP/Ultra Thin Led Downlight
	Hallway	Ceiling mount	"12" round	HomeSelects
7	Roof	Wall mount	"5" round	HomeSelects

§20.7(p) Intercommunication and/or door signal systems, security closed circuit TV

- a) Provided bell and intercom lock system combo every each apartment and shall be manufactured by Kocom, Neospace.

- b) There is no security closed circuit TV in this building

§20.7(q) Public area lighting

All public areas have energy-efficient Led lighting and illumination levels conforming to the standard requirements complied with 2016 Section ECC R404.

Make: American Standard

Model: A123.14

§20.7(u) Permits and certificates

- a) Certificate of Occupancy number 100258025F (4 apartments. One apartment each floor at basement, 1st, 2nd and 3rd floor)
- b) Department of Building permit job number 122519952
 - i) All alteration work are inspect by licensed special inspector prior to sign-off. Item required for inspection listed as following:
 - 1) Structure steel – Welding
 - 2) Structure steel – High strength bolting
 - 3) Concrete – Cast in place
 - 4) Masonry
 - 5) Fire-resistant penetrations and joints
 - 6) Heating system
 - 7) Structure stability - Existing building
 - 8) Energy code compliance
 - 9) Lighting in dwelling units
 - ii) Gas and water are inspect by DOB plumbing division inspector prior to sign-off.
- c) The NYC Landmarks Presevation Commision permit docket # 197851
 - i) All exterior work are inspect by Landmark's inspector prior to sign-off.
- d) Recurring inspections:
 - i) Protective coating: The sponsor must hire a licence contractor to inspect protective coating at terrace on 3rd floor every 2 years to maintain good condition.
 - ii) Waterproofing: The sponsor must hire a lisenced engineer and a waterproofing company to perform inspection every 10 years to maintain a good condition of the existing roof include new terrace at 3rd floor
 - iii) Gas piping: The sponsor must schedule an inspection to inspect gas meters

and gas lines with Con Edison every 3 years required by New York State's law.

- iv) Retaining walls: The sponsor must hire a licensed engineer to inspect retaining wall or part of a retaining wall which is at least ten feet high and faces a public right of way such as a sidewalk or entrance must have a condition assessment of this wall conducted every five years and the assessment report submitted to the Department of Buildings required by RCNY §103-09 and Local Law 37/08.
- v) Boiler: Required annually inspection when low-pressure boilers in residential buildings more than 100,000 BTU input capacity. A Boiler Inspection Report must be filed online in DOB NOW: Safety within 45 days of performing the inspection.
- vi) Hot water heater: Not required when hot water heaters with less 350,000 BTUs in residential and not mixed-used & commercial buildings as states in Rules of City of New York, Subchapter C, Section 103-01 (RCNY 103-01)
- vii) Sprinkler system:
 - a) On wet pipe sprinkler system shall be inspected monthly to ensure good condition and that normal water supply pressure are being maintained and for signs of leakage, corrosion, foreign materials, paint and physical damage and shall be installed in the proper orientation (such as upright, pendent or sidewall). If the above problem occurs the sprinkler shall be replaced. Glass bulb sprinklers shall be replaced if the bulbs have emptied. Unacceptable obstructions to spray patterns shall be corrected.
 - b) Alarm Devices: Alarm devices shall be inspected monthly to verify that they are free of physical damage.
 - c) Buildings: Annually, prior to freezing weather, buildings with wet pipe systems shall be inspected to verify that window, skylights, doors ventilators, other opening and closures, blind spaces, unused attics, stair towers, roof houses and low spaces under buildings do not expose water-filled sprinkler piping to freezing and to verify that adequate heat with temperature is 40°F (4.4°C).
 - d) Gauges: Gauges shall be replaced every 5 years or tested every 5 years by comparison with a calibrated gauge. Gauges that are not accurate within 3% of the full scale shall be recalibrated or replaced.
 - e) Hydraulic Name Plate: For hydraulically designed systems shall be inspected monthly to ensure that it is attached securely to the sprinkler riser or sprinkler control valve and is legible.
 - f) Hanger/Seismic Braces: Hangers and braces shall be inspected monthly

from floor level to ensure they are in place, properly aligned and otherwise not damaged. All defects and deficiencies shall be corrected.

- g) Pipe and Fittings: Shall be inspected monthly from the floor level to ensure there is no mechanical damage, leakage, corrosion, misalignment and that required supports and bracing are in place and are in good condition. Nothing shall be attached to any sprinkler system component.
- h) Fast Response: Tested at 5 year using fast-response elements that have been in service for 20 years shall be tested. They shall be retested at 10 year intervals. Sprinklers from sample areas that do not pass performance standards shall be replaced.
- i) Spare Sprinkler Heads/Wrenches: The supply shall be inspected monthly for the proper number and type of sprinklers and a sprinkler wrench for each type of sprinkler.

§20.7(w) Unit information

- a) Apartment unit 1, basement:
986 gross sf (two bedrooms, one living/dining area, two bathrooms, one kitchenette at basement and accessory space, one laundry room, one toilet at cellar)
- b) Apartment unit 2, 1st Floor:
967 gross sf (two bedrooms, one living/dining area, two bathrooms, one kitchenette and one laundry closet)
- c) Apartment unit 3, 2nd Floor:
1,021 gross sf (two bedrooms, one living/dining area, two bathrooms, one kitchenette and one laundry closet)
- d) Apartment unit 4, 3rd Floor:
846 gross sf (one bedroom, one living/dining area, one bathroom, one toilet, one kitchenette and one laundry closet)
- e) All bathrooms and toilets materials are ceramic floor and wall tiles from basement through 3rd floor.

Fixtures:

Item	Brand Name
Toilet	American Standard or equivalent
Lavatory	American Standard or equivalent
Bathtub	American Standard or equivalent

- f) All kitchens' counter top material are granite stone and cabinets are custom made with laminated wood material.

g) Appliances:

Item	Brand Name	Model
Gas stove	Kitchen Aid	KSGG700EBS1
Dishwasher	Kitchen Aid	KDTE234GBS0
Refrigerator	Kitchen Aid	KRFC300EBS01
Microwave	Kitchen Aid	KMHS120EBS-5

h) Floor, wall and ceiling finishing

Note: Walls and ceiling painted with 1 coat of primer and 2 coats of enamel satin finished.

Level	Floor	Walls and Ceiling	Ceiling Ht./Approx.
Cellar			
Accessory space to Unit 1	Floor tiles	Painted Sheetrock	8'-0"
Basement (Unit 1)	Hardwood	Painted Sheetrock	8'-0"
1st floor (Unit 2)	Hardwood	Painted Sheetrock	10'-11"
2nd floor (Unit 3)	Hardwood	Painted Sheetrock	9'-6"
3rd floor (Unit 4)	Hardwood	Painted Sheetrock	9'-6"

§20.7(x) Finish schedule of spaces other than units.

Room	Floor	Walls	Ceiling	Ceiling Ht.
Laundry	Hardwood	Painted Sheetrock	Painted Sheetrock	8'-0"
Storage	Concrete	Painted Sheetrock	Painted Sheetrock	6'-2"
Corridor	Hardwood	Painted Sheetrock	Painted Sheetrock	9'-0"
Kitchen	Floor tiles	Wall tiles	Painted Sheetrock	8'-0"

a) Laundry Room - Provided one laundry room at rear cellar with one dryer and one washer for the usage of apartment Apartment unit 1.

b) Provided a minimum 5'-4" by 6'-5" feet storage room for each apartment. This storage areas may only be used for storage of personal effects of a unit owner, and in no event shall any food or other perishable item, or any hazardous substance, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or creat a nuisance be stored threin. Storage area may not be used as dwelling space. Negligence to this requirement may result in violation placed against the building which is the obligation of the individual Unit Owner

responsible for such negligence to remove.

§20.7(y) Safety and warning devices.

- a) There is pendent sprinkler system installed at means of egress stair and hallway on cellar, basement through 3rd floor was approved on 10/22/1940 and completed on 2/9/1940 under alteration number SPR 843. All fire protection system are supplied with a sprinkler system by 3" fire sprinkler main.
- b) Provided every each 15 feet Smoking and carbon monoxide alarm: Kidde Electronics, Model #SC6120B in hallway, stairwell, apartments and in each bedroom with one under application number 122519952 was approved on 2/22/2017. It is maintain and safely operated by unit Owner
- c) There is no fire alarm install in this building.

§20.7(z) Additional information required

- a) Violations as of December 20th, 2019
There are no or open active Department of Buildings ECB violations.
- b) Documents to be transferred to Condominium Management
 - 1) Final As-Built drawing
 - 2) Operation and Maintainance Manuals for mechanical equipments.
 - 3) Electronic system manual
 - 4) Re-commissioning manual
 - 5) Equipment warranties
 - 6) Major equipment Start-up Sheets
 - 7) Control System As built.
 - 8) Post-contruction In-Door air quality report.

We hereby affirm that the above description of property and specification are an unbiased professional opinion arrived at without inducement of any kind.


Samuel Yen, P.E. (December 20th, 2019)



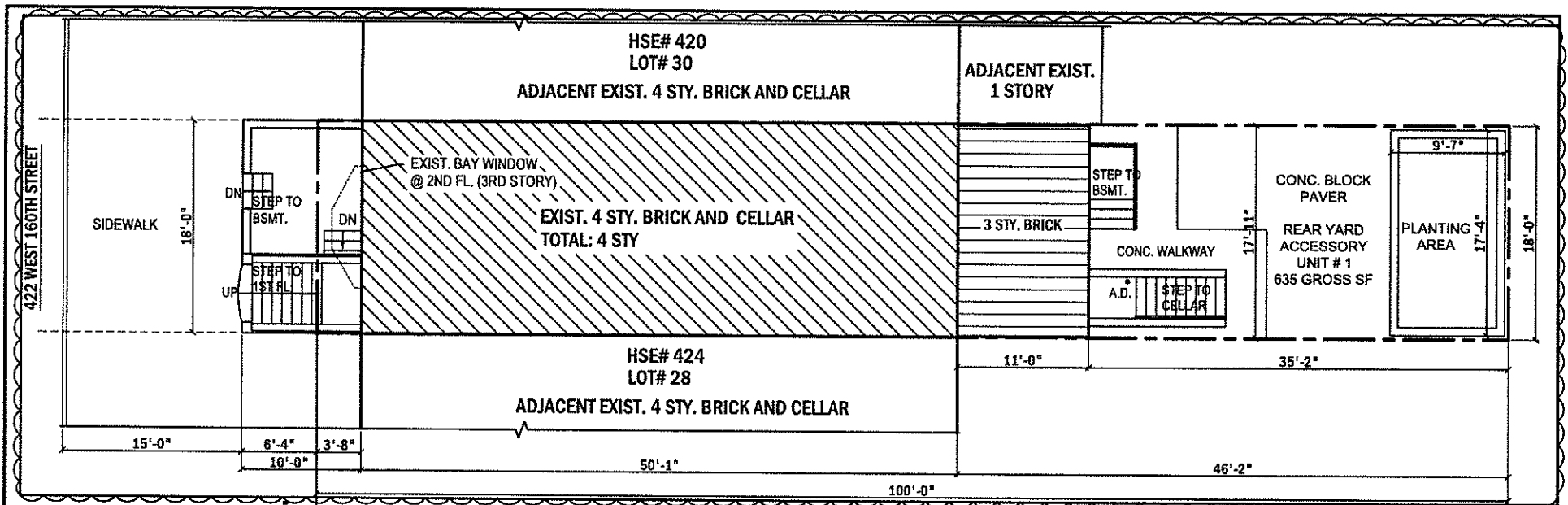
JUMEL MANSION CONDOMINIUM**422 WEST 160TH STREET,
NEW YORK, NY 10032****TAX BLOCK: 2109****FORMER LOT: 29****CONDOMINIUM NO: 2942****CONDOMINIUM NAME:
JUMEL MANSION CONDOMINIUM****LOCATION:
422 WEST 160TH STREET,
NEW YORK, NY 10032****TAX BLOCK:
2109****F/K/A LOT: 29
K/N/A LOT: 1001, 1002, 1003 AND 1004**

RESIDENTIAL	
UNIT	LOT
1	1001
2	1002
3	1003
4	1004

APPROVED BY THE TAX MAP UNIT _____

FILED IN THE NEW YORK CITY LAND RECORDS DIVISION _____

LOCATION	GRAPHIC NO.
422 WEST 160TH STREET NEW YORK, NY 10032	1



SITE PLAN

SCALE: 1/8" = 1'-0"



BLOCK: 2109

LOT: F/K/A 29; F/K/A 1001 THROUGH 1004

CONDOMINIUM PLAN CERTIFICATION

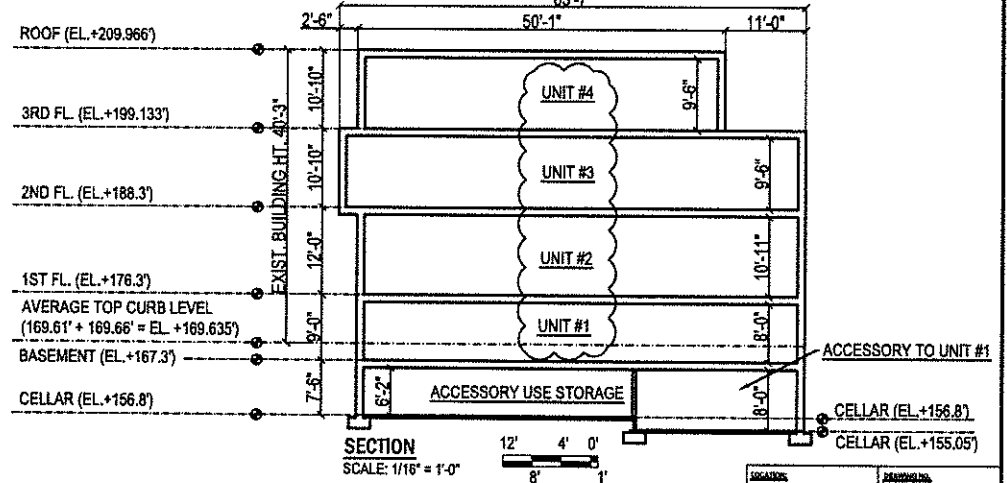
THE TAX MAP UNIT OF NEW YORK CITY CERTIFIES:

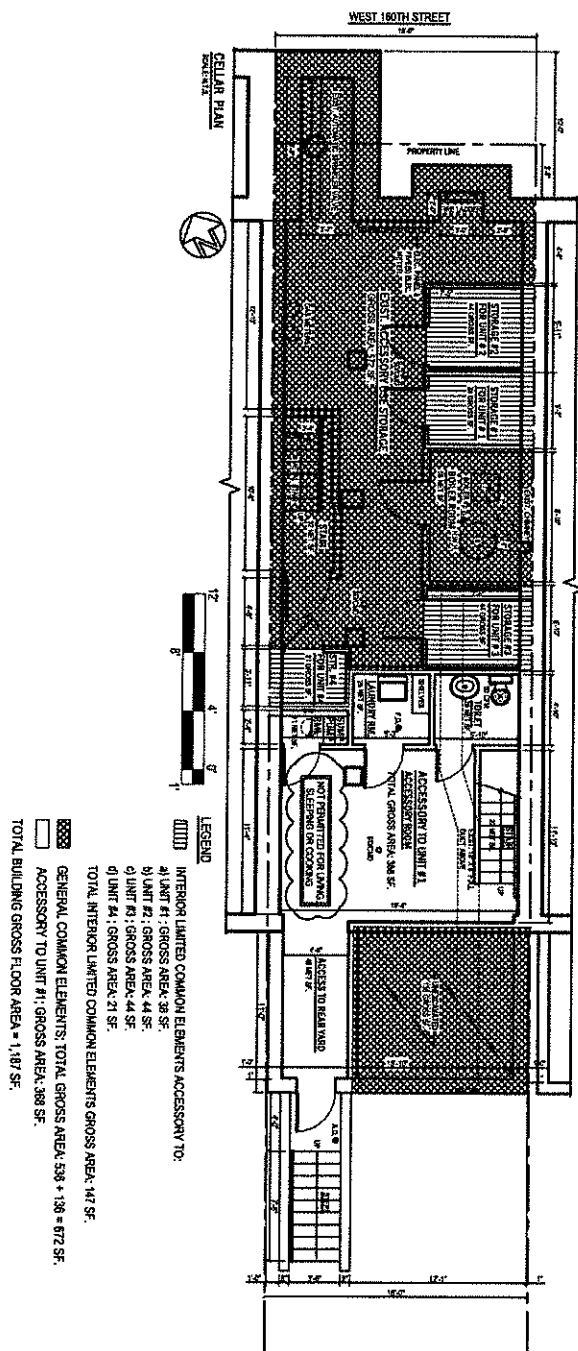
THE ANNEXED FLOOR PLANS CONSISTING OF EIGHT (8) PAGES, COVERING A BUILDING, WITH THREE (3) STORIES AND BASEMENT WITH CELLAR IN PREMISES KNOWN AS, JUMEL MANSION CONDOMINIUM AT 422 WEST 160TH STREET, NEW YORK, NY 10032.

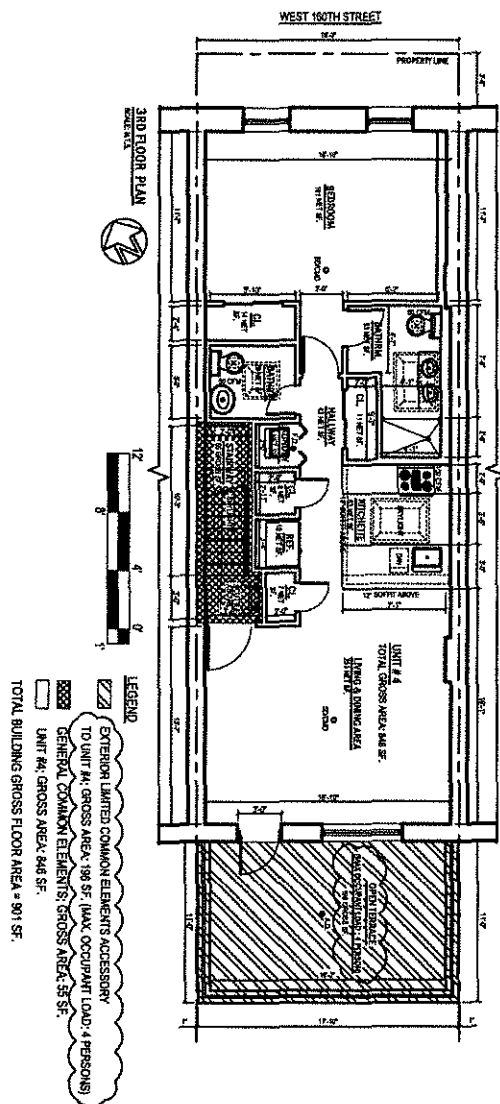
THE LOT DESIGNATION FOR THE SEPARATE UNIT AREAS SHOWN THEREON CONFORM TO THE OFFICIAL TAX LOT DESIGNATION FOR SUCH UNITS AS SHOWN ON THE OFFICIAL TAX MAP OF THE CITY OF NEW YORK FOR THE BOROUGH OF MANHATTAN.

DATED: _____ TAP MAP CARTOGRAPHER: _____

WEST 160TH STREET





[illegible]

CONCLUSIONS

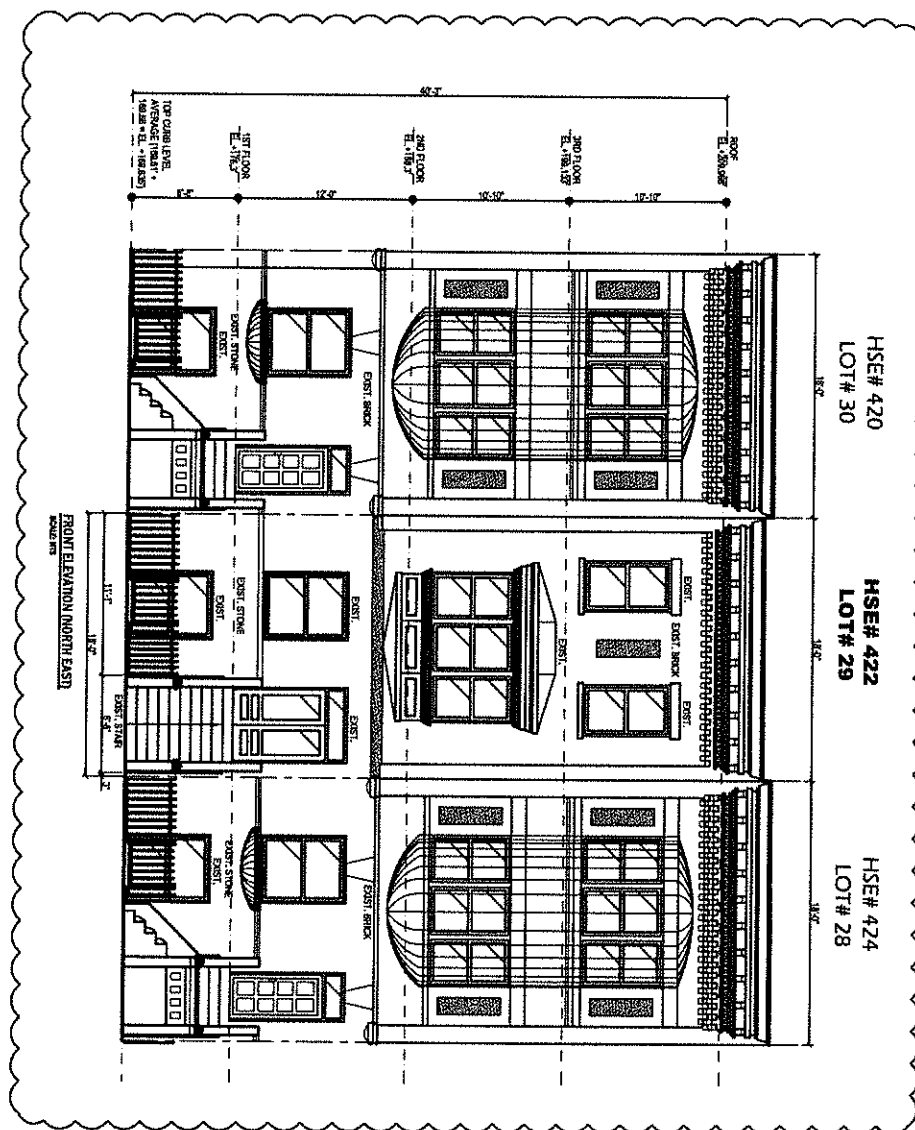
References

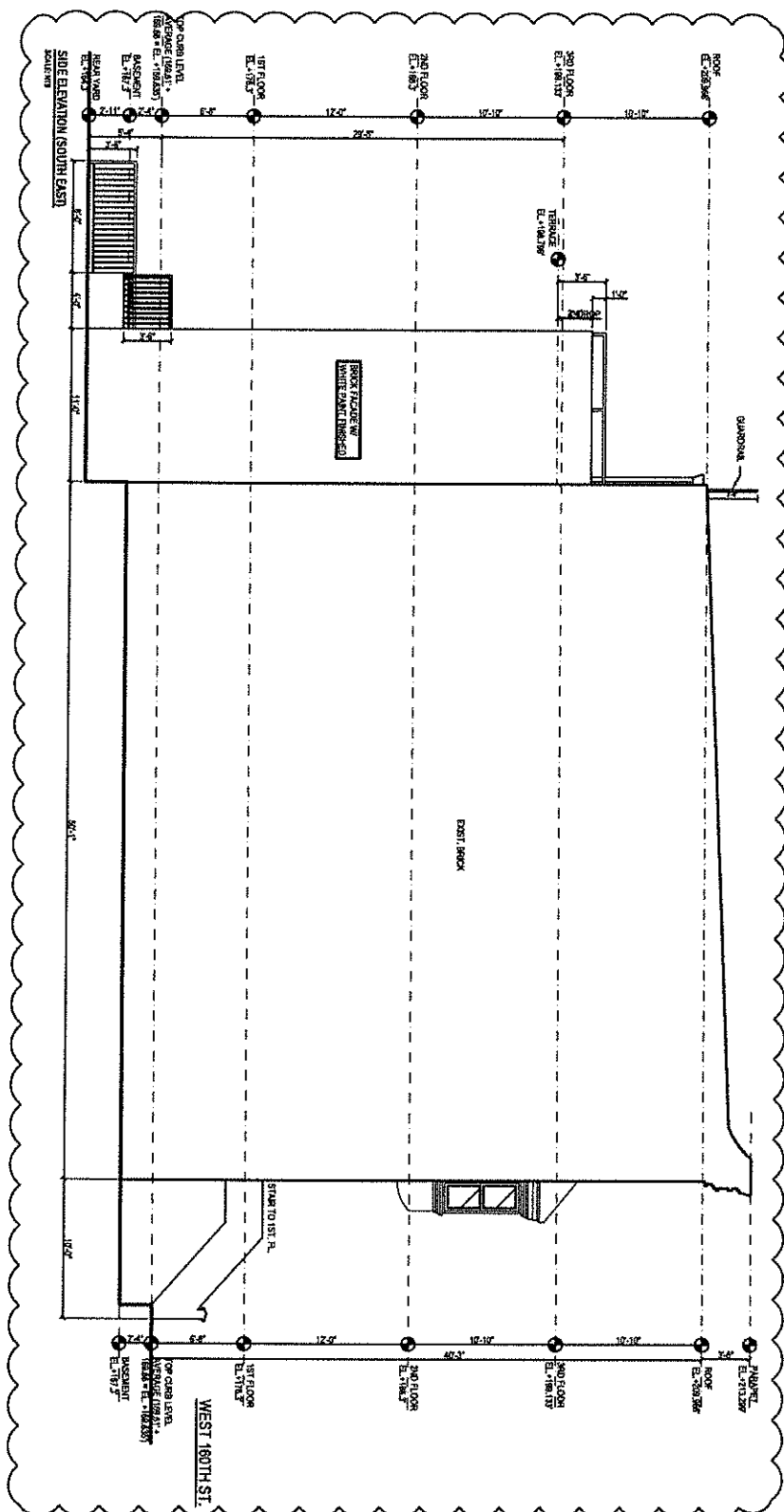
NOTES

TALENT CERTIFICATION:
THE LANE PEDIATRIC AND THE DAY LIFT WARNERS SHOWED HONESTY
CONDITIONS TO THE CRITICAL BUT UNHEALTHY SAVING THE FLOOD
WALL OF THE DAY LIFT OF THE CITY OF NEW YORK, BROADWAY
MANHATTAN.

DATE 10/1/72 10/1/72

422 WEST 160TH STREET
NEW YORK, NY 10032





RELOCATION OF LIMITS:
 EASEMENTS SET APPROPRIATELY AND ARE LOCATED: NONCONVEYABILITY
 APPROPRIATELY TO THE OUTMOST FACE OF THE EASEMENT WORK AT
 THE EXISTING WALL OF THE BUILDING AND APPROPRIATELY TO THE
 LIMIT FACE OF SMALL AREA PATTERNS, PROVIDED THE LIMITS FROM THE
 COLLARS, STOPS AND MECHANICAL PRACTICES.
 EASEMENTS SHALL BE TO THE EXTERIOR LINE, UNLESS PATTERNS
 APPEAR TO BE UNLZ.

DECEMBER
ARCHON EQUIPMENT, LLC
2500 BUSINESS HIGHWAY,
MILLINGTON, TN 37130

PURCHASE A CERTIFICATION STATE OF INCORPORATION

THIS IS NO CERTIFICATE THAT THIS PLAN IS AN ACCURATE COPY OF A PORTION OF THE PLANS FOR THE BUILDING AS IT EXISTS WITH AND WITHOUT ANY ADDITIONS OR ALTERATIONS TO THE BUILDING. COPY OF RECORDS, AND FULLY ASSESSED INDEPENDENTLY THE LATEST, LOGICAL, LIKELY DESIGNATIONS AND APPROPRIATE UNDERSTANDING OF THE INTENTS AS NOTED.

2211

1

RETURN TO: XXXXXX, INC.
 TIME: _____ DAY OF _____, 2015
 EXHIBIT NO. _____

100

POSTAGE SCALE:

10

100

TAX LOT SPREADSHEET
THE UNIT DISSEMINATION AND TAX LOT SPREADSHEET PROGRAM WITHIN COMPTON IS THE OFFICIAL TAX LOT MANAGER KNOWN ON THE BLOCK MAP OF THE TAX MAP UNIT OF THE CITY OF NEW YORK, BUREAU OF TAXATION.

100

DATE TIME CIRCUMSTANCES

LOCAL INCOME	DEBTORS INCOME
--------------	----------------

422 WEST 180TH STREET
NEW YORK, NY 10032

12



Certificate of Occupancy

CO Number: 100258025F

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued. *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.	Borough: Manhattan	Block Number: 02109	Certificate Type: Final
	Address: 422 WEST 160 STREET	Lot Number(s): 29	Effective Date: 07/23/2015
	Building Identification Number (BIN): 1062542	Building Type: Altered	
<i>For zoning lot metes & bounds, please see BISWeb.</i>			
B.	Construction classification: 3	(Prior to 1968 Code)	
	Building Occupancy Group classification: RES	(Prior to 1968 Code)	
	Multiple Dwelling Law Classification: None		
	No. of stories: 4	Height in feet: 35	No. of dwelling units: 7
C.	Fire Protection Equipment: None associated with this filing.		
D.	Type and number of open spaces: None associated with this filing.		
E.	This Certificate is issued with the following legal limitations: None		
Borough Comments: None			

Borough Commissioner

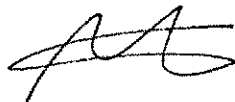
Commissioner

DOCUMENT CONTINUES ON NEXT PAGE

Certificate of Occupancy

CO Number: 100258025F

Permissible Use and Occupancy						
All Building Code occupancy group designations are 1968 designations, except RES, COM, or PUB which are 1938 Building Code occupancy group designations.						
Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
CEL		100	RES		2	BOILER ROOM STORAGE ROOMS
BAS		40	RES	1	2	1 APARTMENT
001		40	RES	1	2	1 APARTMENT
002		40	RES	1	2	1 APARTMENT
003		40	RES	1	2	1 APARTMENT
END OF SECTION						



Borough Commissioner



Commissioner

END OF DOCUMENT

100258025/000 7/23/2015 10:50:51 AM

**ESCROW AGREEMENT
and
HOUSING MERCHANT IMPLIED WARRANTY
LAW**

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

FORM OF ESCROW AGREEMENT

AGREEMENT made this _____ of _____, 20____, by and among _____ ("PURCHASER"), ARCHON EQUITIES LLC ("SPONSOR"), as sponsor of the Jumel Mansion Condominium offering plan ("Plan") and Gary Horn Esq. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium ownership interests at the premises located at 422 West 160th Street, Brooklyn, New York, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-(h) and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of unit [] (the "Purchase Agreement") at Quantic Bank located at 31-05 Broadway, Astoria, New York, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Gary Horn Escrow Account, Jumel Mansion Condominium ("Escrow Account"). The account number is tbd.

1.2. ESCROW AGENT has designated the following attorneys to serve as signatories: Gary Horn. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of 100 Merrick Road, Rockville Centre, New York, and a telephone number of 516-248-0002.

1.3. ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4. Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Gary Horn, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 ESCROW AGENT is hereby obligated to send a notice of all Deposits received by ESCROW AGENT to PURCHASER within ten (10) business days of receipt of same. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 21 Liberty Street, 21ST Floor, New York, New York 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e (2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice

of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT, and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

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

6. RESPONSIBILITIES OF SPONSOR.

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

6.2 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-(h) and the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

By: _____
Gary Horn

SPONSOR: ARCHON EQUITIES LLC

By: _____

PURCHASER

[INSERT NAME]

By: _____
Name: _____
Title: _____

GENERAL BUSINESS LAW

Article 36-B – WARRANTIES ON SALE OF NEW HOMES

Section

777. Definitions.

777-a Housing merchant implied warranty.

777-b Exclusion or modification of warranties.

§ 777. Definitions

As used in this article, the following terms shall have the following meanings:

1. “Builder” means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.
2. “Building code” means the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.
3. “Construction in a skillful manner” means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.
4. “Material defect” means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.
5. “New Home” or “home” means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder had resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.
6. “Owner” means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or and firm under common control of the builder.
7. “Plumbing, electrical, heating, cooling and ventilation systems” shall mean:
 - a. Incase of plumbing systems; gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;
 - b. In the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and
 - c. In case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation element and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

§ 777-a Housing merchant implied warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. One year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. Two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to failure by the builder to have installed such systems in a skillful manner: and

c. Six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. Any defect that does not constitute (I) defective workmanship by the builder or by an agent, employee or subcontractor of the builder (II) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (III) defective design provided by a design professional retained exclusively by the builder, or

b. Any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or

replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

§ 777-b Exclusion or modification of warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose.

a. That the warranty is a limited warranty which limits implied warranties on the sale of the home: the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. The identification of the names and addresses of all warrantors:

c. The identification of the party or parties to whom the warranty is extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. A statement of the products or parts covered by the limited warranty;

e. The clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. Any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. Any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. What the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. The term of the warranty coverage and when the term begins, provided: however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred part II of this article;

h. Step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. Any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty. Where the court fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-3222.1 of the general obligation law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy, provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

DECLARATION OF CONDOMINIUM

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

INDEX TO DECLARATION

1.	Definitions.....	F-1
2.	Submission of the Property	F-1
3.	Description of Property	F-1
4.	Description of the Condominium Building.....	F-1
5.	Name of the Condominium.....	F-1
6.	Units	F-2
7.	Common Elements	F-2
8.	Limited Common Elements	F-3
9.	Use of the Units.....	F-3
10.	Alterations, Addition, Improvements and Changes to Units.	F-3
11.	Person to Receive Service.....	F-4
12.	Determination of Percentage Interest in Common Elements.....	F-4
13.	Encroachments	F-4
14.	Easements for Enjoyment of Common Elements.	F-4
15.	Other Easements.....	F-5
16.	Power of Attorney to Board of Managers.	F-6
17.	Acquisition of Units by Board of Managers.	F-6
18.	Units Subject to Declaration, By-Laws and Rules and Regulations.....	F-6
19.	Amendment of Declaration.	F-7
20.	Termination of Condominium.....	F-7
21.	Administration.....	F-8
22.	Invalidity.	F-8
23.	Waiver.	F-8
24.	Captions.....	F-8
25.	Gender	F-9
26.	Conflicts	F-9
EXHIBIT A	DESCRIPTION OF THE LAND.....	F-10
EXHIBIT B	DESCRIPTION OF THE UNITS	F-11
EXHIBIT C	DEFINITIONS.....	F-12
EXHIBIT D	BY-LAWS *Reproduced in full as Exhibit D.	

DECLARATION
of
THE JUMEL MANSION CONDOMINIUM

Pursuant to Article 9-B of the Real Property law of the State of New York

Archon Equities LLC, with an address at 600 Old Country Road, Room 338, Garden City, New York 11530 (the "Declarant"), hereby declares as follows:

1. **DEFINITIONS:**

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

2. **SUBMISSION OF THE PROPERTY**

The Declarant hereby submits the land (the "land") hereinafter described, together with the building and improvements thereon erected (the "Condominium Property" or "Property") owned by the Declarant in fee simple absolute (the land and Condominium Building being hereinafter referred to collectively as the "Property"), to the provisions of Article 9-B of the Real Property law of the State of New York (the "Condominium Act").

3. **DESCRIPTION OF PROPERTY**

The land is located in Borough of Manhattan, County of New York, City and State of New York. See Exhibit A attached hereto for a metes and bounds description of the land.

4. **DESCRIPTION OF THE BUILDING**

The condominium consists of one (1) building consisting of a cellar, basement, and three stories. There will be four (4) residential units (hereinafter referred to as the "Units").

5. **NAME OF THE CONDOMINIUM**

The Condominium shall be known as THE JUMEL MANSION CONDOMINIUM.

6. UNITS

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its designation number; (ii) its tax lot number; (iii) its approximate location in the Building; (iv) its approximate area; (v) the number of rooms contained therein; (vi) the portions of the Common Elements to which such Unit has immediate access; and (vii) the Common Interest appurtenant to such Unit. The precise location and areas of each Unit within the Building and all of the areas and installations which are included as part of the Units are shown on the Floor Plans of the Building, certified by the architect, intended to be filed in the County Clerk's Office simultaneously with the recording of this Declaration and are made a part of this Declaration. Any area and/or installation which is designated on the Floor Plans as part of a Unit shall be considered as part of said Unit. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.

(b) The Dimensions of the Units shown on the Floor Plans reflect the approximate exterior dimensions of each Unit. Accordingly, they measure the approximate distance from the outer face of the masonry of the outer wall of the building to the center line of the wall separating the Unit from corridors, stairs, mechanical spaces and other units. No Unit Owner shall be deemed to own the structural walls supporting columns, pipes, wires, conduits or other public lines running through the Unit which are utilized for or serve more than one (1) Unit. Any area and/or installation which is designated on the Floor Plans as part of a Unit shall be considered as part of said Unit. Vertically, each Unit consists of the space between the upper face of the subfloor and the upper face of the dry wall ceiling.

(c) Notwithstanding anything contained herein to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity of such Unit or of the Building.

7. COMMON ELEMENTS

A. The Common Elements of the Condominium (hereinafter referred to as the "Common Elements"), consist of all portions of the Property not specifically designated as part of any of the Condominium Units, and include:

(a) The Land not specifically designated to any of the Condominium Units on the Architect's Plans.

(b) All central and appurtenant installations and Facilities for services such as power, light, telephone, gas, sewer, plumbing, drainage, hot and cold water distribution, ventilation, garbage disposal, and other mechanical and electrical systems to the extent that the same are not expressly deemed as a part of a Unit, if any.

(c) All sewer and drainage pipes.

(d) All other apparatus and installations existing in the Buildings or Premises for common use or which are, or may be necessary or convenient for the existence, maintenance or safety of the Buildings.

8. LIMITED COMMON ELEMENTS

(a) Limited Common Elements generally are those Common Elements reserved for use and enjoyment by one or more Units.

The Limited Common Elements in this Condominium are:

- (i) the rear yard to Unit 1;
- (ii) the storage rooms to Units 2, 3 and 4;
- (iii) the roof terrace to Unit 4
as shown on the Exhibit B and the Floor Plans;

(b) The Common Elements are not subject to partition nor are they severable from the Units except in accordance with The Condominium Act (Article 9-B of the Real Property Law).

(c) Each Unit Owner shall be solely and only responsible for repair and maintenance of the Limited Common Element appurtenant to their Unit including, but not limited to, painting, cleaning, patching, and surface repair; and, in the case of the balconies structural maintenance. In the event a Unit Owner fails to properly maintain his Limited Common Element, the condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

9. USE OF THE UNITS

Each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy, and not more than one family may occupy a Unit at one time. Each of the Units are to be occupied only by the Owner thereof or his permitted lessees and the members of their immediate family.

10. ALTERATIONS, ADDITION, IMPROVEMENTS AND CHANGES TO UNITS

(a) Units. Each Unit Owner shall have the right to:

- (i) make alterations, additions, or improvements in the interior of his Unit;
- (ii) make alterations, additions, or improvements to any part of the Property allocated to his Unit, subject to the written approval of the Board of Managers;
- (iii) change the layout of his Unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

(4) the Board of Managers may regulate any one or more of the following aspects of the construction:

- a) Time periods during which work is permitted.
- b) The manner in which construction debris will be handled.
- c) Measures which must be taken to prevent compromising the security of the building during construction.
- d) The interruption of services during construction.
- e) Liability insurance for contractors during construction.

In the event that any Unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original Unit. The Declarants have accepted the present use and construction of the building "as is".

11 . PERSON TO RECEIVE SERVICE

The Secretary of State is designated as agent of the Condominium Board upon whom process against it may be served. The post office address within or without this state to which the secretary of state shall mail a copy of any process against the Condominium Board served upon him or her is 422 West 160th Street, New York, New York 10032. The Condominium Board should also be served at this address.

12. DETERMINATION OF PERCENTAGE INTEREST IN COMMON ELEMENTS

In accordance with Section 339-i(1)(iv) of the New York State Condominium Act, the Common Interests of each of the Units have been allocated 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.

13. ENCROACHMENTS

If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling of buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the buildings stand.

14. EASEMENTS FOR ENJOYMENT OF COMMON ELEMENTS

Subject to the terms of the By-Laws and the Rules and Regulations, the Unit Owners, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements (or Limited Common Elements, as necessary) and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

15. OTHER EASEMENTS

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Element and utility distribution system serves, or is necessary to the service of, his or her Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, each Unit Owner shall have a reasonable right of access through any other Unit for the purpose of entry to any part of his Unit where there is no other means of access to such part of his Unit or Limited Common Elements allocated to his Unit.

(b) The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations there from and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this section shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted only upon reasonable notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

(c) The Condominium Board shall have, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as the Condominium Board shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units; provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agent, shall have the right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(d) Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

(e) In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

16. POWER OF ATTORNEY TO BOARD OF MANAGERS

Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable Power of Attorney, coupled with an interest to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, and to convey, sell, lease, mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Unit so acquired or to sub-lease any Unit so leased by the Board of Managers.

17. ACQUISITION OF UNITS BY BOARD OF MANAGERS

In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any other units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests") pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner, who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to the By-Laws, or in the event the Board of Managers shall purchase, at a foreclosure or other judicial sale, a Unit together with the Appurtenant Interests, or in the event the Board of Managers shall purchase a Unit, together with the Appurtenant Interests, for use by a resident superintendent, title to any such Unit, together with the Appurtenant Interests shall be held by the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common

Interest, The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interest.

18. UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS.

All present and future owners, tenants and occupants of the units shall be subject to and comply with, the provisions of the Declaration, By-Laws and the Rules and Regulations as they may be amended from time to time. The acceptance of a Deed or conveyance or the entering into occupancy of any Unit shall constitute an Agreement that the provisions of this Declaration, By-Laws and the Rules and Regulations, as they may be amended from time to time, and the said items affecting title to the Property are accepted and ratified by such owner, tenant or occupant and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every Deed of conveyance or lease thereof.

There shall be a restriction on the resale of the Units for two years from the date of the first closing if Sponsor is still offering Units for sale.

19. AMENDMENT OF DECLARATION

(a) This Declaration may be amended by the vote of at least 75 % in number of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved in writing by 75 % in number and in Common Interest of all Unit Owners, provided, however,

- (i) No amendment, modification, addition or deletion which shall adversely affect the lien or any mortgage may be made without written consent of the mortgagee;
- (ii) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner;
- (iii) When a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a 'return receipt' requested, it will be implied that they approve such amendment.

The Sponsor hereby reserves to itself and its designee (s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances which are incomplete upon the original filing of the Declaration provided that the verified statement of a registered architect or licensed professional engineer certifying that the

plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as build, as provided in said Section 339-p will be filed with such amendment.

No such amendment shall be effective until recorded in the Office of the County Clerk

(b) Notwithstanding the provisions of paragraph (a) of this Article above, the Condominium Board shall have the right to amend this Declaration and/or the Bylaws at any time, without the consent of the Unit Owners, to divide the Condominium Board into separate and distinct Condominium Boards, each having full jurisdiction and authority over one of the buildings in the Condominium. Each of such Board of Managers shall be elected in accordance with and shall have all of the authority, rights, obligations, liabilities, powers and duties as set forth in Article 2 of the Bylaws.

(c) Any amendment of a material nature must be agreed to by eligible mortgage holders that represent at least 51% of the votes of Unit estates that are subject to mortgages held by eligible holders. A change to any of the provisions governing the following would be considered as material:

- i. voting rights;
- ii. increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or the priority of assessment liens;
- iii. reduction in reserves for maintenance, repair and replacement of Common Elements;
- iv. responsibility for maintenance and repairs;
- v. reallocation of any Unit boundaries;
- vi. convertibility of units into Common Elements or vice versa;
- vii. expansion or contraction of the project, or the addition, annexation, or withdrawal of Property to or from the project;
- viii. hazard or fidelity insurance requirements;
- ix. imposition of any restriction on the leasing units;
- x. imposition of any restriction on a Unit Owner's right to sell or transfer his or her Unit;
- xi. a decision by the Unit Owner's association of a project that consist of more than ten units to establish self-management if professional management had been required previously by the project documents or by an eligible mortgage holder;
- xii. restoration or repair of the project (after damage or partial condemnation) in a manner other than that specified in the documents;
- xiii. any provision that expressly benefit mortgage holders, insurers, or guarantors.

20. TERMINATION OF CONDOMINIUM

The Condominium shall continue until terminated by (i) casualty, loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of Article 9-B of the Real Property Law of New York State, as a result of the

affirmative vote of at least eighty percent (80%) of the Unit Owners in number and in appurtenant Common Interests. No such vote under clause (ii) in the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. In the event that said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in accordance with the factors set out in the New York State Condominium Act Section 339-i(1)(iv), which is allocated based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. In the event of any dispute, the issue shall be presented for arbitration in accordance with Article 10 of the By-Laws. No payment shall be made to a Unit Owner until there has first been paid, out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. In addition, the Property shall not be withdrawn after substantial destruction or condemnation occurs unless at least eligible mortgage holders that represent at least 51% of the votes of the Units estates that are subject to mortgages held be eligible holders agree to the withdrawal of the Property from the Condominium Act.

21. ADMINISTRATION

The administration of the Condominium shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are make a part of this Declaration and attached as Exhibit "D".

22. INVALIDITY

The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner, the validity, enforceability, or effect of the reminder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

23. WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

24. CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describes the scope of this Declaration nor the intent of any provision hereof.

25. GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

26. CONFLICTS

This Declaration is set forth to comply with the requirement of Article 9-B of the Real Property Law of the State of New York. In case any of the provisions stated above conflict with the provisions of said statute, the statute shall control.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by its duly authorized officers and its corporate seal to be hereunto affixed as of the day and year first written above.

DECLARANT: ARCHON EQUITIES LLC

By:
Managing Member

State of New York, County OF

ss:

On the _____ day of _____ in the year _____ before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT A

THE JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET, NEW YORK, NEW YORK 10032

DESCRIPTION OF LAND

ALL that certain plot piece or parcel of land with the buildings and improvements thereon erected, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

EXHIBIT B
THE JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET, NEW YORK, NEW YORK 10032

DESCRIPTION OF UNITS

<u>Unit</u> <u>Designation</u>	<u>Tax Lot</u> <u>Number</u>	<u>Location</u>	<u>BR/Bath</u>	<u>Approximate</u> <u>Area (s.f)</u>	<u>Limited</u> <u>Common</u> <u>Elements</u>	<u>Common</u> <u>Interest</u>
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EXHIBIT C DEFINITIONS

(1) **Appurtenant Interest** shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designees, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

(2) **Balcony, Terrace, Porch, or Patio** generally define an area adjoining a building at various levels of the building which is generally used by the adjoining Unit. The characterization of the above for the purposes of the Zoning Resolution is based on its location and description as set forth in the Floor Plans.

(3) **Building or Buildings** shall mean the building or buildings situated on the land which is described in Exhibit A hereto.

(4) **By-laws** shall mean the by-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

(5) **Common Elements** shall mean those certain portions of the land and the Building (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in Section 2 of the Declaration.

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

(7) **Common Expenses** shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and (iv) generally, the conduct of the affairs of the Condominium.

(8) **Common Interest** shall mean the undivided percentage interest of each Unit in the Common Elements.

(9) **Condominium** shall mean THE JUMEL MANSION CONDOMINIUM which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

(10) **Condominium Act** shall mean Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.

(11) **Condominium Board** shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.

(12) **Condominium Documents** shall mean the Declaration, the By-Laws and Rules and Regulations.

(13) **Declaration** shall mean the Declaration executed by Declarants for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof.

(14) **Family Members** shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

(15) **Floor Plans** shall mean the Floor Plans of the Units filed in the County Clerk's Office simultaneously with the recording of the Declaration, together with any supplemental Floor Plans thereto. The Floor Plans shall govern in the event of any inconsistency between the written part of the Declaration and the Floor Plans.

(16) **Institutional Lender** shall mean (i) a savings bank, savings and loan associations, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

(17) **Institutional Mortgage** shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is an Institutional Lender.

(18) **Insurance Trustee** shall mean an individual who is a resident of the State of New York, or a bank or trust company having an office in New York, from time to time appointed to serve as such by the Condominium Board.

(19) **Land** shall mean all that certain tract, plot, piece, and parcel of land situate, lying and being in the County of New York, State of New York, as more particularly described in Exhibit A to the Declaration.

(20) **Law** shall mean the laws and ordinances of any or all of the Federal, New York State, County of Rockland, or local governments; the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental,

public, or quasi-public authorities having jurisdiction over the Property and/or the Condominium, and/or the direction of any public officer pursuant to law.

(21) **Limited Common Elements** Limited Common Elements generally are those Common Elements reserved for use and enjoyment by one or more Units.

(22) **Managing Agent** shall mean a Person employed by the Condominium Board pursuant to paragraph (C) of Section 2.6 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium Board shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

(23) **Majority of Unit Owners** shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

(24) **Mortgage Representatives** shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

(25) **Permitted First Mortgage** shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

(26) **Mortgage Permitted First Mortgagee** shall mean any holder of a Permitted First Mortgage.

(27) **Permitted Mortgage** shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

(28) **Permitted Mortgagee** shall mean any holder of a Permitted Mortgage at the time in question.

(29) **Person** shall mean any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

(30) **Property** shall mean the Land, the Condominium Buildings or Units, all other improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other Property, real, personal, or mixed, used or intended to be used in connection therewith.

(31) **County Clerk's Office** shall mean the particular County Office of the Clerk of the County of New York, State of New York.

(32) **Rules and Regulations** shall mean the rules and regulations of the Condominium,

which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

(33) **Special Assessments** shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

(34) **Sponsor's Initial Control** The Sponsor will maintain control of the Board of Managers of the Condominium for a minimum of two (2) years from the date of the first closing, as long as the Sponsor owns at least one (1) Unit. During this period of Initial Control, the Sponsor shall designate the Board Members. After the initial 2-year period, the Sponsor will have the same voting rights as any other Unit Owner and no additional voting rights.

(35) **Unit** shall mean any of the "Units", as such term is defined in the Condominium Act, located on the Property, which units are more particularly described in Section 6 of, and Exhibit B to, the Declaration and in the Floor Plans.

(36) **Unit Owner** shall mean any Person who holds fee title, of record, to one or more Units at the time in question.

CONDOMINIUM BY-LAWS

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

TABLE OF CONTENTS

ARTICLE 1 GENERAL

Section 1.1.	Purpose.....	G-1
Section 1.2.	Definitions.....	G-1
Section 1.3	Applicability of By-Laws.....	G-1
Section 1.4	Application of By-Laws.....	G-1
Section 1.5	Principal Office of the Condominium.....	G-1

ARTICLE 2 BOARD OF MANAGERS

Section 2.1.	General.....	G-2
Section 2.2.	Status of the Condominium Board.....	G-2
Section 2.3.	Principal Office of the Condominium Board.....	G-2
Section 2.4.	Powers and Duties of The Condominium Board.....	G-2
Section 2.5.	Certain Limitation on the Powers of the Condominium Board.....	G-4
Section 2.6.	Exercise and Delegation of Powers and Duties.....	G-5
Section 2.7.	Number. Election and Qualification of Members.....	G-6
Section 2.8	Term of Office of Members.....	G-6
Section 2.9	Removal and Resignation of Members.....	G-6
Section 2.10.	Vacancies.....	G-7
Section 2.11.	INTENTIONALLY OMITTED.....	G-7
Section 2.12.	Regular Meetings of the Condominium Board.....	G-7
Section 2.13.	Special Meetings of the Condominium Board.....	G-7
Section 2.14.	Waiver of Notice of Meetings.....	G-7
Section 2.15.	Quorum of the Condominium Board.....	G-8
Section 2.16.	Conduct of Meetings.....	G-8
Section 2.17.	Decision by the Condominium Board.....	G-8
Section 2.18.	Compensation of Members.....	G-8
Section 2.19.	Common or Interested Members of the Condominium Board.....	G-8
Section 2.20.	Liability of the Condominium Board.....	G-9

ARTICLE 3 OFFICERS

Section 3.1.	General.....	G-9
Section 3.2.	President.....	G-9
Section 3.3.	Vice President.....	G-10
Section 3.4.	Secretary.....	G-10
Section 3.5.	Treasurer.....	G-10
Section 3.6.	Election, Term of Office and Qualifications of Officers.....	G-10
Section 3.7.	Removal and Resignation of Officers.....	G-10
Section 3.8.	Vacancies.....	G-10
Section 3.9.	Compensation of Officers.....	G-11
Section 3.10.	Liability of the Officers of the Condominium.....	G-11

ARTICLE 4 UNIT OWNERS

Section 4.1.	Annual Meetings of the Unit Owners.....	G-11
Section 4.2.	Special Meetings of Unit Owners.....	G-11
Section 4.3.	Place of Meetings.....	G-11

Section 4.4.	Notice of Meetings	G-12
Section 4.5.	Quorum of the Unit Owners.	G-12
Section 4.6.	Conduct of Meetings.	G-12
Section 4.7.	Order of Business.	G-12
Section 4.8.	Voting at Meetings of Unit Owners.	G-12
Section 4.9.	Election of Members of the Condominium Board.	G-13
Section 4.10.	Action Without a Meeting.	G-14
Section 4.11.	Title to Units.	G-14
Section 4.12.	Contractual Liability of Unit Owners	G-14

ARTICLE 5 OPERATION OF THE PROPERTY

Section 5.1.	Maintenance.	G-14
Section 5.2.	Alterations, Additions, or Improvements in and to Units	G-15
Section 5.3.	Alterations, Additions, or Improvements to the Common Elements	G-16
Section 5.4.	Insurance.	G-16
Section 5.5.	Casualty or Condemnation.	G-18
Section 5.6.	Use of the Property	G-20
Section 5.7.	Use of the Units.	G-20
Section 5.8.	Use of the Common Elements	G-20
Section 5.9.	Rights of Access	G-20
Section 5.10.	Modification of the Rules and Regulations.	G-21
Section 5.11.	Real Estate Taxes, Water Charges and Sewer Rents.	G-21
Section 5.12.	Heating	G-21
Section 5.13.	Gas and Electricity.	G-22
Section 5.14.	Utilities Serving the Common Elements	G-22
Section 5.15.	Vault Charges.	G-22
Section 5.16.	Records and Audits.	G-22

ARTICLE 6 COMMON CHARGES

Section 6.1.	Determination of Common Expenses and Fixing of Common Charges.....	G-22
Section 6.2.	Payment of Common Charges.....	G-23
Section 6.3.	Statement of Common Charges.....	G-24
Section 6.4.	Default In Payment of Common Charges.....	G-24

ARTICLE 7 SELLING AND LEASING OF UNITS

Section 7.1.	General.	G-25
Section 7.2.	Right of First Refusal.	G-25
Section 7.3.	Acceptance of Offer.	G-27
Section 7.4.	Failure to Accept Offer.....	G-27
Section 7.5.	Termination of and Exceptions to the Right of First Refusal.	G-28
Section 7.6.	No Severance of Ownership.....	G-29
Section 7.7.	Payment of Common Charges.....	G-29
Section 7.8.	Power of Attorney.	G-29
Section 7.9.	Gifts and Devises. Etc.	G-29

ARTICLE 8	<u>MORTGAGING OF UNITS</u>	
Section 8.1.	General	G-29
Section 8.2.	Restrictions on Mortgaging	G-30
Section 8.3.	Notice of Unpaid Common Charges and Default	G-30
Section 8.4.	Performance by Permitted Mortgagees.	G-30
Section 8.5.	Examination of Books	G-33
Section 8.6.	Consent of Mortgagees: Designation of Mortgage Representatives.....	G-30
Section 8.7.	Notice to Mortgagees	G-32
ARTICLE 9	<u>CERTAIN REMEDIES</u>	
Section 9.1.	Self Help.....	G-31
Section 9.2.	Abatement and Injunction	G-31
Section 9.3.	Remedies Cumulative.....	G-31
Section 9.4.	Costs and Expenses	G-31
ARTICLE 10	<u>ARBITRATION</u>	
Section 10.1.	Procedure.....	G-32
Section 10.2.	Variation by Agreement	G-32
Section 10.3.	Binding Effect.	G-32
Section 10.4.	Costs and Expenses.	G-32
ARTICLE 11	<u>NOTICES</u>	
Section 11.1	General	G-32
Section 11.2.	Waiver of Service of Notice.....	G-33
ARTICLE 12	<u>AMENDMENTS TO BY-LAWS</u>	
Section 12.1.	General	G-33
ARTICLE 13	<u>FURTHER ASSURANCES</u>	
Section 13.1.	General	G-33
Section 13.2.	Failure to Deliver or Act.	G-33
ARTICLE 14	<u>MISCELLANEOUS</u>	
Section 14.1.	Inspection of Documents.....	G-34
Section 14.2.	Waiver.....	G-34
Section 14.3.	Conflicts.....	G-34
Section 14.4.	Severability.	G-34

Section 14.5. Gender.....G-34

Section 14.6. Captions.....G-34

RULES AND REGULATIONS G-34

BY-LAWS
of
THE JUMEL MANSION CONDOMINIUM

ARTICLE 1 GENERAL

1.1. PURPOSE

The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is described in Exhibit A to the Declaration of Condominium of THE JUMEL MANSION CONDOMINIUM; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto; and (ii) all other Property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

1.2. DEFINITIONS

All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

1.3. APPLICABILITY OF BY-LAWS

These By-Laws are applicable to the Property and to the use and occupancy thereof.

1.4. APPLICATION OF BY-LAWS

All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

1.5. PRINCIPAL OFFICE OF THE CONDOMINIUM

The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2 BOARD OF MANAGERS

2.1. GENERAL

As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By- Laws.

2.2. STATUS OF THE CONDOMINIUM BOARD

Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

2.3. PRINCIPAL OFFICE OF THE CONDOMINIUM BOARD

The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

2.4. POWERS AND DUTIES OF THE CONDOMINIUM BOARD

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal Property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium;

(iii) to maintain records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts of receipts and expenditures affecting the Property; (b) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (c) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of all of the members of the Condominium Board shall be required for the borrowing of any sum in excess of \$5,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of all of all Unit Owners shall be required for the borrowing of any sum in excess of \$5,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to establish a reserve fund which funds shall be used only for capital expenditures;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by,

the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to the vote appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal Property for use in connection with the ownership and operation of the Property as a condominium;

(xxi) to execute, acknowledge and deliver: (a) any Declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or Declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same;

(xxiii) to execute, acknowledge and deliver any documents necessary for filing an appeal for reduction of assessment of real estate taxes on behalf of all units in the Condominium, unless written notice is received by the Condominium Board from any Unit Owner not to do so on behalf of his or her condominium Unit.

(xxiv) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

2.5. CERTAIN LIMITATIONS ON THE POWERS OF THE CONDOMINIUM BOARD

(A) Notwithstanding anything to the contrary contained in these By-Laws, as long as Declarant or its designee or both shall continue to collectively own one or more Units, but in no event later than three (3) years after the closing of title to the first Unit, the Condominium Board may not, without Declarant's or such designee's prior written consent:

- (i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law or an insurance company insuring the Property or is necessary for

- the health and safety of the occupants of the Condominium;
- (ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund in excess of five percent in the aggregate of the estimated Common Expenses for any year of operation;
- (iii) increase the number or change the type of employees from that described in Schedule B set forth in the Plan;
- (iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph (iii) hereinabove; or
- (v) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient) or to remedy any condition requiring repair or replacement immediately necessary for the preservation of or safety of the Building or for the safety of the occupants of the Building or required to avoid the suspension of services).

The Sponsor may exercise veto power over expenses other than those described above, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner.

Sponsor shall have the right to withhold its consent to any of the foregoing actions. Notwithstanding the above, Sponsor's consent shall not be withheld for expenses required to comply with applicable law. While Sponsor has voting control of the Board, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

Sponsor shall have the right to withhold its consent to any of the foregoing actions. Notwithstanding the above, the Sponsor may not exercise veto power over expenses described in Schedule B, 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 work order by an insurer; or
- (iv) any matter necessary for the health and safety of the occupants of the Condominium.

While Sponsor has voting control of the Board, Sponsor will not reduce or eliminate the services to be provided to the Condominium as set forth in this Plan.

- (B) Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless Unit Owners representing at least 75% in aggregate Common Interest shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:
 - (i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;
 - (ii) provide for new or additional services from those being provided at the time of recording the Declaration;
 - (iii) impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration, or addition to the Common Elements or to any Unit, unless required by Law or an insurance company insuring the Property, or;
 - (iv) establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding ten percent of the budgeted operating expenses for the ensuing twelve months of

operation.

2.6. EXERCISE AND DELEGATION OF POWERS AND DUTIES

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and such additional exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx) and (xxi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

2.7. NUMBER ELECTION AND QUALIFICATION OF MEMBERS

Sponsor will maintain control of the Board of Managers of the Condominium either for two (2) years from the date of the first closing, or as long as the Sponsor owns at least one Units, whichever is less. Provided however, that the Sponsor may relinquish control at any time by calling a special meeting of the Unit Owners to elect a new Board of Managers. There is no time limit regarding Sponsor's control of the Board or its right to vote as long as the Sponsor owns Units. As long as Sponsor or its designee owns a majority of the Units, it shall be entitled to vote and elect a majority of Board Members. The Condominium Board of Managers shall consist of three (3) Board Members. Until the first sale of a Unit, the initial Board of Managers shall be designated by the Sponsor.

Within approximately six (6) months after the conveyance of title to the first Unit, the Sponsor will call the first meeting of Unit Owners. At such time, the Sponsor shall designate two (2) of the three (3) Board Members, who shall serve for a period of two (2) years. The other Board Member shall be elected for a one-year term by the other Unit Owners. Within thirty (30) days of the expiration of the period of Sponsor Control, Sponsor will call a special meeting of Unit Owners to elect a new Board. Sponsor shall have the same voting right as all Unit Owners. In all votes of Unit Owners, each Unit Owner will be entitled to cast one (1) vote for each percentage of interest owned. Unit Owners shall be entitled to cumulate their votes and cast all of such votes for a single director or distribute them among the number to be voted for, or any two or more of them, as they may see fit.

At all meetings of Unit Owners the Sponsor or its designee shall be able to vote and thus able to exercise its

vote in Board elections. When the Sponsor or its designee no longer owns any Units neither Sponsor nor its designee shall have any further right to vote.

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

Each member of the Board shall be an owner of a Unit, or a member of an Owner of a Unit, a mortgagee of a Unit, general partner, partner or designated officer, director or designated employee of a corporate Unit Owner or corporate mortgagee of a Unit, or a person with similar authority over, and interest in, another entity owning or holding a mortgage on a Unit, or in the case of the Sponsor or a Sponsor-affiliate, shall be a designee of the Sponsor. A person designated by the Sponsor or a Sponsor-affiliate under this Article need not be a Unit Owner or holder of an office or interest in a Unit Owner. As used in these By-Laws, the term "Sponsor-affiliate" shall mean (i) any person or entity which the Sponsor may designate to acquire title to a Unit or exercise other rights of the Sponsor hereunder or under the Declaration or the Offering Plan for the Property (the "Plan"), (ii) an entity in which the Sponsor possesses a legal or beneficial interest or a person or entity which possesses a legal or beneficial interest in the Sponsor or an entity which controls or is controlled by an entity which is otherwise a Sponsor-affiliate or (iii) a person or entity succeeding to the rights of Sponsor as an owner of one or more Unsold Units, as defined in the Offering Plan. A Sponsor-affiliate shall have the right to designate a person or entity to succeed to its rights. The term Sponsor-affiliate is also used to refer to any such designee.

2.8. TERM OF OFFICE OF MEMBERS.

The Board Members initially designated by the Sponsor shall serve for two (2) years. After the initial period of Sponsor control, the term of office of the Members of the Condominium Board shall continue for one (1) year. However, Board Members shall continue to serve until their successors have been qualified and elected. However, at any time, any Unit Owner may by written instrument replace such Board Member by designating another person as a Board Member representing its Unit.

2.9. REMOVAL AND RESIGNATION OF MEMBERS

Any member of the condominium Board who was elected there either by the Unit Owners, pursuant to the terms of Section 2.10 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause by a vote of a Majority of Unit Owners. Any member of the Condominium Board who was designated as such or elected by Declarant or its designee, pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof may be removed without cause, only by Declarant of the said designee, and with cause by a majority vote of the Unit Owners and another Member shall be appointed by Declarant, if Declarant has the right to designate a Member at that time. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Units Owners shall be give prior written notice thereof and an opportunity to be present and heard thereat.

Any member of the Condominium Board may resign his or her membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his or her membership effective as of the date upon which such qualification shall cease. Upon sale or transfer of the Unit, the Board Member designated (or deemed to have been designated) by the Unit Owner shall be deemed to have resigned his Board Membership effective on the date of conveyance of the Unit, and the succeeding Unit Owner shall designate (or deem to have designated) the Board Member representing such Unit in accordance with Section 2.7.

2.10. VACANCIES

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of a majority of the members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereafter shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a member who was designated as such or elected by Sponsor or its designee shall be filled by an individual designated by Sponsor or such designee.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Condominium Board for the remainder of the term of the replaced member and until his or her successor shall be elected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

2.11. INTENTIONALLY OMITTED.

2.12. REGULAR MEETINGS OF THE CONDOMINIUM BOARD

Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members thereof, provided that at least one (1) such meetings shall be held during each fiscal year.

2.13. SPECIAL MEETINGS OF THE CONDOMINIUM BOARD.

Any member of the Condominium Board may call a special meeting of the Condominium Board whenever he or she deems the same to be necessary or desirable.

2.14. WAIVER OF NOTICE OF MEETINGS

Any member of the Condominium Board may at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him or her of notice of the time and place thereof.

2.15. QUORUM OF THE CONDOMINIUM

For purposes of all meetings of the Condominium Board, the attendance of a majority of all Board Members thereof shall be required for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes.

2.16. CONDUCT OF MEETINGS

The minutes of the meetings of the Condominium Board shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and

proceedings occurring thereat. The then current edition of Robert's Rules of Order shall govern the conduct of meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws or the Condominium Act.

2.17. DECISION BY THE CONDOMINIUM BOARD.

Except as otherwise expressly provided in the Declaration or these By-Laws, the affirmative vote of a majority of the members of the Condominium Board shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Condominium in the minutes of the Condominium Board. In the event of a deadlock in voting between the unit owners or in the Condominium Board, or between Board Members, such deadlock shall be submitted to an arbitration board in accordance with Article 10, "Arbitration", below.

2.18. COMPENSATION OF MEMBERS

No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

2.19. COMMON OR INTERESTED MEMBERS OF THE CONDOMINIUM BOARD

Each member of the Condominium Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by vote of the Condominium Board;

(y) the fact thereof is disclosed to, or known by the Unit Owners, and the Unit Owners authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the requisite attendance of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction.

2.20. LIABILITY OF THE CONDOMINIUM BOARD

(A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his or her own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any

committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Condominium Board nor any member thereof shall be liable for either:

- (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense; or
- (ii) any injury, loss, or damage to any individual *or* Property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3 OFFICERS

3.1. GENERAL

The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. The Condominium Board may appoint a Vice President, an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by the officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

3.2. PRESIDENT

The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL", including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he or she may decide, in his or her discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

3.3. VICE PRESIDENT

The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him or her from time to time by the Condominium Board or by the President.

3.4. SECRETARY

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

3.5. TREASURER

The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

3.6. ELECTION TERM OF OFFICE AND QUALIFICATIONS OF OFFICERS

Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board.

3.7. REMOVAL AND RESIGNATION OF OFFICERS

Any officer of the Condominium may be removed from office with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his or her term of office, such officer shall be deemed to have resigned his or her office effective upon the date upon which his or her membership shall cease.

3.8. VACANCIES

Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

3.9. COMPENSATION OF OFFICERS

No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

3.10. LIABILITY OF THE OFFICERS OF THE CONDOMINIUM.

(A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his or her own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or Persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) None of the officers of the Condominium shall be liable for either:

- (i) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium or to be paid for as a Common Expense; or
- (ii) any injury, loss, or damage to any individual or Property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his or her acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4 UNIT OWNERS

4.1. ANNUAL MEETINGS OF THE UNIT OWNERS

The first annual meeting of the Unit Owners shall be held approximately six (6) months after the First Closing, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held within sixty (60) days of the anniversary date of the first meeting. At each such subsequent meeting, the Unit Owners shall transact such business as may properly come before such meeting. In the event that any annual meeting of members is delayed, the existing Condominium Board shall continue to serve.

4.2. SPECIAL MEETINGS OF UNIT OWNERS

The Condominium Board shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt of a petition calling for such a meeting signed by a Unit Owner. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

4.3. PLACE OF MEETINGS

Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place as may be designated by the Condominium Board.

4.4. NOTICE OF MEETINGS

(A) The Condominium Board shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, telephone or telegram not later than five (5) business days prior to the day fixed for the meeting; however, the mailing of such notice to any Unit Owner, addressed to his or her address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Condominium Board not less than ten (10) days prior to the giving of notice of the applicable meeting.

4.5. QUORUM OF THE UNIT OWNERS

Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of a majority of all Unit Owners shall be required at all meetings of the Unit Owners.

4.6. CONDUCT OF MEETINGS

The minutes of all meetings of the Unit Owners shall be faithfully recorded, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat.

4.7. ORDER OF BUSINESS

The order of business at all annual meetings of the Unit Owners shall be as follows:

- (i) Roll call;
- (ii) Proof of notice of meeting;
- (iii) Reading of the minutes of the preceding meeting (unless waived);
- (iv) Reports of officers of the Condominium;
- (v) Reports of committees;
- (vi) Reports of inspectors of election (when so required);
- (vii) Election or designation of members of the Condominium Board (if there is a vacancy);
- (viii) Unfinished business; and
- (ix) New business.

4.8. VOTING AT MEETINGS OF UNIT OWNERS

(A) Subject to the terms of Sections 2.7 and 4.9 hereof, in all votes of Unit Owners, including Board elections, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to cast one (1) vote for each percentage of interest Owned. Unit Owners shall be entitled to cumulate their votes and cast all of such votes for a single director or distribute them among the number to be voted for, or any two or more of them, as he may see fit. Board Members shall be elected by a majority of the votes cast at a meeting at which a quorum shall be present.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to the vote appurtenant to any Unit owned by the Condominium Board or such designee. The vote of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the results of voting.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one Person amongst them the vote appurtenant to their Unit in a writing given to the Condominium Board, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually exercise the vote appurtenant to such Unit under one ballot without division, and the concurrence of all Persons shall be conclusively presumed if anyone of them purports to exercise such vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether the required attendance is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The

designation of any such proxy shall be made in a writing both signed and dated by the designor and delivered to the Condominium Board at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Condominium Board; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Condominium Board.

4.9. ELECTION OF MEMBERS OF THE CONDOMINIUM BOARD

(A) In all votes of Unit Owners, including Board elections, each Unit Owner (including the Sponsor or its designee, for so long as Sponsor or such designee shall own Unsold Units) shall be entitled to vote as follows: (a) Each owner of a Unit shall cast one (1) vote for each percentage of interest Owned. In Condominium Board elections, each Unit Owner shall be entitled to cumulate his votes and cast all of such votes for a single director or distribute them among the number to be voted for, or any two or more of them, as he may see fit. Board Members shall be elected by a majority of the votes cast at a meeting at which a quorum shall be present.

(B) Notwithstanding any other provision of the By-Laws or Offering Plan, for the first two (2) years from the date of the first closing, Sponsor will maintain control of the Board of Managers of the Condominium for as long as the Sponsor owns at least one Unit. Provided however, that the Sponsor may relinquish control at any time by calling a special meeting of the Unit Owners to elect a new Board of Managers. In addition, as long as Sponsor or its designee owns a majority of the Units, it shall be entitled to vote and elect a majority of Board Members. The Condominium Board of Managers shall consist of three (3) Board Members. Until the first sale of a Unit, the initial Board of Managers shall be designated by the Sponsor. See Section 2.7 above.

At all meetings of Unit Owners the Sponsor or its designee shall be able to vote and thus able to exercise its vote in Board elections. When the Sponsor or its designee no longer owns any Units neither Sponsor nor its designee shall have any further right to vote.

4.10. ACTION WITHOUT A MEETING

Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

4.11. TITLE TO UNITS

Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

4.12. CONTRACTUAL LIABILITY OF UNIT OWNERS

Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively), that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his or her Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5 OPERATION OF THE PROPERTY

5.1. MAINTENANCE

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, and replacements, whether structural or non-structural, ordinary or extraordinary,

- (i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and terrace or patio, if any) and their frames and saddles, exposed plumbing, gas and heating fixtures shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and
- (ii) in or to the Common Elements shall be performed by the Condominium Board as a Common Expense.

However, if any work is necessitated by any condition or occurrence in the individual Unit such Unit Owner shall be liable for such costs which are not paid by the insurance carrier. Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect which the Condominium Board is responsible pursuant to the terms thereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned and maintained by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition and order (and free of snow, ice and accumulation of water with respect to any terrace, patio, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, patios, windows and shades, Venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

5.2. ALTERATIONS, ADDITIONS, OR IMPROVEMENTS IN AND TO UNITS

Each Unit Owner shall have the right to:

- (i) make alterations, or improvements in the interior of his Unit;
- (ii) make alterations, or improvements to any part of the Property allocated to his Unit, subject to the written approval of the Board which shall be given by the Board within fifteen business days after receipt of such request and failure to respond within such time shall be deemed an approval;
- (iii) change the layout of his Unit;

provided, however, that, with respect to any such alteration, addition, improvement or change in, to, of or upon a Unit:

(1) no physical modification shall be made to any other Unit, and the Common Interest or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(2) the Unit Owner shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(3) such alteration, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property; and

(4) such alteration, or change shall not alter the enjoyment of the Limited Common Elements or the Common Elements of the Property.

In the event that any Unit is subdivided, the subdivided units shall jointly exercise and share the vote allocated to the original Unit.

Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done.

(B) All alterations, additions, and improvements by Unit Owners shall be made in compliance with laws. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit, provided that, with respect to all such work of a structural nature (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(C) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s)) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or asserting any claim for personal injury or Property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, and the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

5.3. ALTERATIONS, ADDITIONS, OR IMPROVEMENTS TO THE COMMON ELEMENTS

Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost and expense of any such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed \$5,000.00 in the aggregate in any calendar year, such proposed alterations, additions, or improvements shall not be made unless first approved by all of the Unit Owners at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing \$5,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

5.4. INSURANCE

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom, kitchen and laundry fixtures, cabinets, equipment, etc. installed therein on the date of recording the Declaration Sponsor, together with all heating, hot water equipment and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal Property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or substantially modified except upon at least thirty days' prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least ten days prior to the expiration of the then current policies.

(B) The Condominium Board may also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or Property damage arising out of any occurrence on the Property and listing as coinsureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his or her own Unit);

(ii) rent insurance (if applicable);

(iii) workmen's compensation and New York State disability benefits insurance;

- (iv) boiler and machinery insurance; and
- (v) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than one hundred percent of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than \$500,000.00 in the aggregate until the first regular meeting of the first Condominium Board elected by the Unit Owners; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Condominium Board as a Common Expense.

(E) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such, additional insurance carried by any Unit Owner.

5.5. CASUALTY OR CONDEMNATION

(A) In the event that either (i) a Unit or the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss") or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable to the Condominium Board. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, or any portion thereof, is taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof. Any mortgage lender shall be notified immediately in writing, via certified mail, in the event of any casualty or loss to the subject phase.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt

repair or restoration (hereinafter referred to as the "Work" of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom, kitchen and laundry fixtures, cabinets, equipment, etc. installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal Property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. If, pursuant to the immediately preceding sentence, work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. In addition, each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Work shall have the right, subject to the terms of Section 5.2 hereof, to supervise any redecorating of his or her Unit.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special Assessment shall become part of the Trust Funds. However, if the insurance proceeds are not sufficient to discharge the cost and expense of performing any work attributable to any part of the building which is not a "Common Element", such cost and expense must be paid by the owner or owners of the Units or Limited Common Element which were damaged and no special assessment may be levied against the Unit Owners. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to the Unit Owner of the damaged Unit, except that no payment shall be made to a Unit Owner until there has first been paid, out of said excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remains unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

In the event that the damages is caused to both a Unit and Common Elements, the Condominium Board shall retain the services of an insurance adjuster to determine the amount of damages caused separately by the Unit and Common Element and all the underpayments and overpayments shall be subject to provisions in paragraph (C).

(D) If either 75% or more of a Building is destroyed or substantially damaged by fire or other casualty or 75 % or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of the Unit Owners of the Building shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

(E) In addition, the Property shall not be withdrawn after substantial destruction or condemnation occurs unless at least eligible mortgage holders that represent at least 51% of the votes of the units estates that are subject to mortgages held be eligible holders agree to the withdrawal of the Property from the Condominium Act.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit after such Taking bears to the total floor area of such Unit prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(G) As used in this Section 5.5, the terms:

(i) "prompt repair or restoration" shall mean that the Work is to be commenced not more than sixty (60) days after the date on which the Condominium Board has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date on which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharged the estimated cost and expense of the Work, as the case may be.

(iv) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board or between Board Members, shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

(v) "Insurance trustee" shall mean a New York Bank or Trust Company located in the State of New York.

5.6. USE OF PROPERTY

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

5.7. USE OF THE UNITS

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7. Each Unit may be used in accordance with the use permitted by local law and zoning regulations and the Certificate of Occupancy. Any Unit may be partially used as a professional office by the owner of such Unit only.

(B) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family members or guests). Notwithstanding the foregoing, the Condominium Board may, in its sole discretion, permit Persons other than those set forth above to occupy a Unit. In no event, however, shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (B)) may be accommodated therein.

5.8. USE OF THE COMMON ELEMENTS

(A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. The lobbies, vestibules, public halls, stairways and shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the entrance designated by the Condominium Board for transporting packages, merchandise, or other objects. The Common Area storage room located in the cellar and the Common area located under the main stairs may be used to keep strollers and bicycles. The garbage cans may be kept in the Common area located in front of the building.

(B) Use of the Limited Common Elements. The cost of maintenance, repair and replacement of Limited Common Elements shall be borne by the Unit Owner or Unit Owners having the exclusive or shared use thereto.

5.9. RIGHTS OF ACCESS

(A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his or her Unit for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his or her Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) For purposes of paragraph (A), each Unit Owner shall grant to the Condominium Board a right of access to his or her Unit and the Condominium Board shall grant rights of access to the Common Elements, provided that access thereto shall not be exercised with respect to any Unit in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

5.10. MODIFICATION OF THE RULES AND REGULATIONS

The Condominium Board shall have the right to amend, modify, add to or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by the vote of 75 % of the Unit Owners. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof.

5.11. REAL ESTATE TAXES. WATER CHARGES AND SEWER RENTS

Unless and until real estate taxes, are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense.

Water for the Building shall be supplied by the City of New York. However, the Condominium Board shall have the right, exercisable in its sole discretion to require the installation of submeters to determine the consumption of water by each Unit. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes, water charges and sewer rents) shall, upon the written request of the selling Unit Owner, execute and deliver to the Purchaser of such Unit or to such Purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

The Board of Managers will be responsible for reviewing, appealing and filing any documents necessary for obtaining a reduction in the tax assessment and will file such documents on behalf of all of the owners. Such owners shall execute any documents required for such filing. After the Units have been separately assessed, tax review for each Unit will be the responsibility of the Unit Owner.

5.12. HEATING

Gas shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be

required to pay all charges for gas consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefor. Gas for the Common Areas of the Building shall be supplied by Con Edison.

5.13. ELECTRICITY

Electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefor. However, the Condominium Board shall have the right, exercisable in its sole discretion, to require that electricity be supplied to the Condominium through one or more common meters. In such an event, the cost thereof shall be borne by each Unit Owner based upon the consumption or usage of electricity in his or her Unit, as determined by submetering, survey, or any other reasonable method prescribed by the Condominium Board and permitted by Law, and shall be payable either to the Condominium Board or to the utility company servicing the Building, as directed by the Condominium Board.

5.14. UTILITIES SERVING THE COMMON ELEMENTS

The cost and expense of water, steam, electricity and gas serving or benefiting any Common Element shall be (i) considered part of the expense of maintaining such Common Elements, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

5.15. VAULT CHARGES

All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Condominium Board as a Common Expense.

5.16. RECORDS AND AUDITS

(A) The Condominium Board, or the Managing Agent, shall keep full, detailed and accurate records with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within (4) four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, a financial statement including an annual report of the receipts and expenditures of the Condominium prepared by an independent accountant, such statement shall be certified while the Sponsor is in control of the Board of Managers. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

ARTICLE 6 COMMON CHARGES

6.1. DETERMINATION OF COMMON EXPENSES AND FIXING OF COMMON CHARGES

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners prorata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of

Common Charges payable by each of them and, not later than ten days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees. The Condominium Board may, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however that the Condominium Board shall give each Unit Owner not less than fifteen (15) days' notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof). In accordance with Section 339-aa of the Real Property Law, while the Sponsor is in control of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, in no event shall any rent, profit, or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings, or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.2. PAYMENT OF COMMON CHARGES

(A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common

Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his or her Unit subsequent to a sale, transfer, or other conveyance by him or her of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A Purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his or her acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a Purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such Purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his or her Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof. Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (H) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Sections 5.1, 5.2 or 5.3 hereof; or (iii) any action taken by the Condominium Board to comply with Law.

6.3. STATEMENT OF COMMON CHARGES

The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

6.4. DEFAULT IN PAYMENT OF COMMON CHARGES

(A) Pursuant to Section 339-kk of the Real Property Law, 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 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium Board. Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board. In the event that any party defaults in performing any act or making any payment which is that party's responsibility hereunder and said default is not cured within fifteen (15) days of written notice of said default, then the Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than thirty days after the due date for the payment thereof including but not limited to the restriction of use of certain common areas and limited common areas to such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 399-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 399-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectable by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay a penalty charge equal to 10% of the outstanding charge, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) Any first mortgagee who obtains title to a condominium Unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six months of Unit's unpaid regularly budgeted dues or charges accrued before acquisition of the title to the Unit by the mortgagee. If the condominium's association's lien priority includes costs of collecting unpaid dues, the lender will not be liable for any fees or costs related to the collection of the unpaid dues.

(E) Section 339-kk of the Real Property Law of the State of New York (the "Condominium Act") applies to all condominium plans in existence after July 22, 1998. It is intended to provide financial protection for a condominium association if a non-occupying owner fails to make monthly payments for its Units. The terms of

Section 339-kk are as follows:

(a) For purposes of this section, "non-occupying owner" means a condominium Unit Owner 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 60 days of the expiration of any grace period after they are due, the Condominium Board shall provide written notice to the tenant and the non-occupying owner that rental payments from the tenant shall be paid directly to the Condominium Board.

(c) Such notice shall provide that commencing immediately and until such time as all such payments are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Condominium Association at the address listed on the notice. However, where a majority of the Board of Managers has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Board.

(d) When such payments from the non-occupying owner are once again current, written notice of this fact shall be given within 3 business days to the rental tenant and non-occupying owner; thereafter, all rental payments shall be made payable to the non-occupying owner or a designated agent.

(e) A non-occupying owner who disputes the Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers, which must be held within 30 days of the date that such Board receives notice that such owner seeks to dispute such claim.

(f) Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement.

(g) Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk 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.

ARTICLE 7 SELLING AND LEASING OF UNITS

7.1. GENERAL

Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his or her Unit except in compliance with, the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported Purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Notwithstanding any other provision, the Sponsor is exempt from the terms set forth in this Article 7 and is free to sell or lease units to any individual or entity without being subject to a right of First Refusal of the Board of Managers of the Condominium.

7.2. RIGHT OF FIRST REFUSAL

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall give fifteen (15) days written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or the lease, as the case may be, containing all of the terms offered in good faith by the prospective Purchaser or tenant (hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his or her Unit, together with its Appurtenant Interests, or to lease his or her Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than fifteen business days after receipt of written notice in the event of a proposed sale and ten business days in the event of a proposed lease after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof.

(D) The Remaining Unit Owners may reach an agreement between themselves under which the right of first refusal shall be exercised by one (1) of the Remaining Unit Owners (the "Purchasing Unit Owner"), who will then be responsible for closing on such Unit and will be required to fulfill all the terms and conditions set forth in Section 7.3, "Acceptance of Offer". In such event, such title may be closed in the name of the Purchasing Unit Owner and the parties may agree between themselves as to the terms and conditions of the voting power, operation and maintenance of the Property, and improvements, so as to take into account the voting power of each of the Unit Owners.

(E) Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not

exercise any option set forth in Section 7.2 to purchase any Unit without the prior approval of the Unit Owners who are not offering their units for sale ("Remaining Unit Owners"). Accordingly, if one (1) Unit Owner offers his Unit for sale, the Condominium Board may not exercise the option to purchase the Unit unless the Remaining Unit Owners agree to purchase the Unit. In the event that one of the Remaining Unit Owners does not vote in favor of purchasing the Unit, the Condominium Board will not be able to exercise its right to purchase, and the Offeree Unit Owner may proceed in accordance with Section 7.4 of the By-Laws, which provides for the event that the Board fails to accept said offer. The Board of Managers may 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.

(F) A lender that acquires title, either through foreclosure or acceptance of a deed in lieu of foreclosure, shall be exempt from the provisions of the Right of First Refusal of this section 7.2.

7.3. ACCEPTANCE OF OFFER

(A) In the event that an Optionee shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within 45 days after the day upon which the Optionee shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale or Lease Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-0 of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer rent, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing Date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) If Section 7.2, paragraphs (D), (E) (which pertain to the sale by one Unit Owner in a 3-Unit condominium) are applicable, the Purchasing Unit Owner shall be responsible for all costs of purchasing the Unit offered for sale by the Offeree Unit Owner and such Offeree Unit Owner shall convey the Unit in the same manner as set forth in paragraph (B) of Section 7.3 to the Purchasing Unit Owner or his designee.

(D) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such

designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Sale or Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord. In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, or if a remaining Unit Owner exercises the right to lease the apartment, such Unit Owner shall be responsible for any damages caused to the Unit by the occupant.

7.4. FAILURE TO ACCEPT OFFER

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within sixty days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such sixty-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3 and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his or her interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance;

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

7.5. TERMINATION OF AND EXCEPTIONS TO THE RIGHT OF FIRST REFUSAL

(A) A certificate executed and acknowledged by the Condominium Board or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact been terminated. In no event, however,

shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any of his or her adult Family Members (which is limited to his spouse, children, grandchildren, parents, grandparents, brothers and sisters) to any combination of the same, or to a trust for the benefit of any of them or, in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than fifty percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty percent of the legal and beneficial interest thereof;

(ii) the Condominium Board;

(iii) Any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure;

(iv) Any Permitted Mortgagee of its nominee, who has acquired title to any Unit at any foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

Provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, all of the terms and conditions of this Article 7.

7.6. NO SEVERANCE OF OWNERSHIP

No Unit Owner shall execute any deed or other instrument conveying title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests. However, in no event shall any party which has use of the driveway be allowed to lease his interest in the driveway to a non-occupant of the Property.

7.7. PAYMENT OF COMMON CHARGES

No Unit Owner shall be permitted to convey or lease his or her Unit unless he or she shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

7.8. POWER OF ATTORNEY

At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

7.9. GIFTS AND DEVISES. ETC.

Any Unit Owner shall be free to convey or transfer his or her Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy to persons or entities set forth in Section 7.5(B)(i), without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to all the provisions of this Declaration and By-Laws.

ARTICLE 8 MORTGAGING OF UNITS

8.1. GENERAL

Each Unit Owner shall have the right to mortgage his or her Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a confirmed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units".

8.2. RESTRICTIONS ON MORTGAGING

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his or her Unit unless and until he or she shall have paid in full to the Condominium Board all unpaid Common Charges and special assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or non-institutional lender to make the mortgage loan or take an assignment thereof.

8.3. NOTICE OF UNPAID COMMON CHARGES AND DEFAULT

Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his or her Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the

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Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

8.4. PERFORMANCE BY PERMITTED MORTGAGEES

Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his or her Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

8.5. EXAMINATION OF BOOKS

Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

8.6. CONSENT OF MORTGAGEES: DESIGNATION OF MORTGAGE REPRESENTATIVES

Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his or her mortgagor.

8.7. CONSENT OF MORTGAGEES

Any mortgagee and guarantor of the mortgage on any Unit will be given timely written notice of:

- a. Any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;
- b. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
- c. A lapse, cancellation, or material modification of any insurance policy maintained by the homeowner's association; and
- d. Any proposed action that requires the consent of a specified percentage of mortgages.

No Unit Owner or any other party shall have priority over any rights of the first mortgagee of the condominium Unit pursuant to its mortgage in the case of payment to the Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of condominium Unit s and/or Common Elements.

ARTICLE 9 CERTAIN REMEDIES

9.1. SELF HELP

If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, including, without limitation, any breach of his or her obligation to paint, decorate, maintain, repair, or replace his or her Unit pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that

the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

9.2. ABATEMENT AND ENJOINMENT

In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his or her part to be observed or performed, the Condominium Board shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

9.3. REMEDIES CUMULATIVE

The remedies specifically granted to the Condominium Board in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

9.4. COSTS AND EXPENSES

All sums of money expended, and all costs and expenses incurred, by the Condominium Board in connection with the abatement, enjoinder, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or shall be immediately payable by such Unit Owner to the Condominium Board, which amount shall be paid within ten (10) days of receiving notice. In the event it is not paid within ten (10) days of receiving notice, a penalty charge equal to 10% of the outstanding charge shall be payable. All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10 ARBITRATION

10.1. PROCEDURE

Any matter or issue that may be resolved by arbitration pursuant to New York State law between the Sponsor and the Board, or if there is a deadlock in any matter, or a dispute between Board Members, must be submitted to arbitration must be submitted to arbitration for resolution by a single arbitrator in a proceeding in Kings County or other mutually agreed to location in accordance with the then existing rules of American Arbitration Association ("AAA") or any successor organization thereto with thirty (30) days of the dispute. In the event that the AAA shall not then be in existence and has no successor organization, any such arbitration shall be held in Rockland County before a mutually selected arbitrator pursuant to mutually agreed upon rules and procedures.. No party may commence a proceeding in any other forum other than to enforce these arbitration provision. The decision of the arbitrators so chosen shall be given within thirty (30) days after his or her selection or appointment. The decision shall be enforceable in a court of law of competent jurisdiction. In the event there is a deadlock in voting between the units, such deadlock shall be submitted to an arbitration board. The arbitration board is hereby given the power to cast a deciding vote in order to break any deadlock; who shall render an arbitration decision in accordance with the best interests of the Condominium. The Condominium Board shall follow the directions of the Arbitrators.

10.2. VARIATION BY AGREEMENT

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

10.3. BINDING EFFECT

The decision in any arbitration conducted pursuant to the terms of Sections 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

10.4 COSTS AND EXPENSES

(A) The fees, costs and expenses of the arbitrators shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his or her counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11 NOTICES

11.1. GENERAL

All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

- (i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;
- (ii) if to a Unit Owner, to such Unit Owner at his or her address at the Property; and,
- (iii) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United State Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

11.2. WAIVER OF SERVICE OF NOTICE

Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, 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 12 AMENDMENTS TO BY-LAWS

12.1. GENERAL

Any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of 75 % of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office. No amendment, modification, addition or deletion which shall adversely affect the lien or any mortgage may be made without written consent of the mortgagee. When a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a 'return receipt requested, it will be implied that they approve such amendment.

ARTICLE 13 FURTHER ASSURANCES

13.1. GENERAL

Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for therein, and take such other action as such other Person may reasonable request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

13.2. FAILURE TO DELIVER OR ACT

If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board or its Managing Agent, is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, 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 Person, and such document or action shall be binding on such Unit Owner or other Person.

ARTICLE 14 MISCELLANEOUS

14.1. INSPECTION OF DOCUMENTS

Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

14.2. WAIVER.

No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

14.3. CONFLICTS

In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control. All provisions of the Declaration and By-Laws are subject to any written agreement among the owners of the Units.

14.4. SEVERABILITY

If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

14.5. GENDER

A reference in these By-Laws to anyone gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

14.6. CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

14.7. RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used in any manner to impede the ingress and egress to the units.

2. 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 or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

3. Nothing shall be hung or shaken from any doors, window, or open terraces or patios, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

4. There shall be no playing or lounging in the entrances, passages, public halls, vestibules,

corridors, stairways, or fire towers of the Building, except in recreational areas or other areas designated as such in the Declaration or by the Condominium Board.

5. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

6. Nothing shall be done or be kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements 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 Unit Owner or any of his or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

7. There shall be no barbecuing in the Units, or in the Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board. Balconies, roof decks and backyards, if any, are designated for barbecuing. Barbecuing in the rear yard must be at least 10 feet from the building.

8. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises (except for noises made by children under the age of ten (10) years) or odors to be produced upon or to emanate from his or her Unit or Limited Common Area, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No 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 Unit Owner's Unit between midnight 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 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 Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

9. No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Condominium Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public area of the Building or in any of the public portions of the building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, patios, terraces, or other public portions of the building, or on the sidewalk or street adjacent to the Building.

10. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

11. 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 Unit shall be repaired and paid for by the owner of such Unit.

12. Each Unit Owner shall keep his or her Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

13. The agents of the Condominium Board or the Managing Agent and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

14. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his or her Unit at any time when an entry there is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium 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 Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's Property).

15. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his or her agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal Property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as otherwise provided herein) be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

16. 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.

17. Smoking and using e-cigarettes of any kind are not allowed in any of the indoor Common Area, including but not limited to lobbies, hallways, stairways, storage areas, etc.

18. 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 Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

19. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

CERTIFICATIONS

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

SPONSOR CERTIFICATION

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS

RE: THE JUMEL MANSION CONDOMINIUM
422 WEST 160TH STREET
NEW YORK, NEW YORK

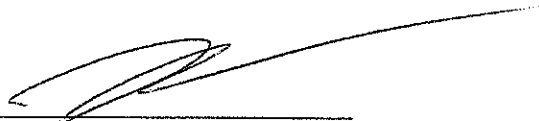
We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereinafter 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, suppressions, 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 I/we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR: Archon Equities LLC


By: Realmor Capital, LLC, Managing member
By: Steven Schnall, Sole Member

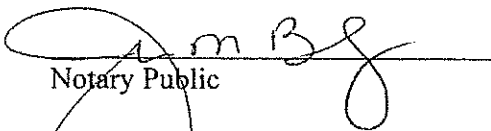
PRINCIPALS OF SPONSOR:


STEVEN SCHNALL

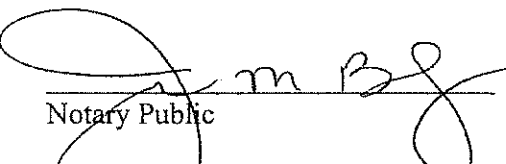
PRINCIPALS OF SPONSOR:


HOWARD LEV

Sworn before me this 13th
day of November, 2018.


Notary Public
Jessica M. Bluj
Notary Public, State of New York
No. 01BL6027186
Qualified in Nassau County
Commission Expires September 3, 2019

Sworn before me this 13th
day of November, 2018.


Notary Public
Jessica M. Bluj
Notary Public, State of New York
No. 01BL6027186
Qualified in Nassau County
Commission Expires September 3, 2019

ENGINEER'S CERTIFICATION

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

CERTIFICATION BY ENGINEER

**RE: MU SHIH SAMUEL YEN, P.E. LICENSE NO. 051576
CONDOMINIUM 422 WEST 160TH STREET, NY, NY 10032**

The Sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction and/or renovation of the property (the "Report"). I visually inspected the renovated property on December 2, 2019, and I prepared the building plans and specifications dated May 20, 2016 and prepared the Report dated December 20, 2019, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered engineer in the State of New York in which the property is located. I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification.

This certification is made for the benefit of all persons to whom this offer is made. I certify that the Report:

- (i) Sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I/we examined;
- (ii) In my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I prepared;
- (iii) Does not omit any material fact;
- (iv) Does not contain any untrue statement of a material fact;

- (v) Does not contain any fraud, deception, concealment, or suppression;
- (vi) Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) Does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.



(Mu Shih Samuel Yen, P.E.)

Sworn to, or affirmed under penalty of perjury, before me
This 20th day of December, 2019

Cindy Lee
Notary Public signature

LEE CINDY
Notary Public, State of New York
#01LE6207940
Qualified in Queens County
Commission Expires: June 22, 2021

BUDGET ADEQUACY CERTIFICATION

THE JUMEL MANSION CONDOMINIUM

**422 WEST 160TH STREET
NEW YORK, NEW YORK 10032**

ADREY MANAGEMENT CORP

Licensed Real Estate Broker

POST OFFICE BOX 040 014

BROOKLYN N.Y. 11204-0001

TEL NUMBER 718 438-0088

FAX NUMBER 718 438-8767

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

**RE: 422 WEST 160TH STREET, NEW YORK, NY
JUMEL MANSION CONDOMINIUM**

October 14, 2018

The sponsor of the condominium offering plan for the captioned property retained me to prepare Schedule(s) B, B-1, containing projections of income and expenses for the first year of condominium operation. My experience in this field includes the Management of 20 different properties, ranging from a three family building to a 100 unit multiple dwelling. I have been in this field for the last thirty years. My Management portfolio includes Co-ops, Condos, Residential and Commercial properties.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

I have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underling it with due diligence in order to form a basis for this certification. I also have relied on my/our experience in managing residential buildings.

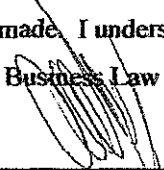
I certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of the condominium operation

I certify that the Schedule(s):

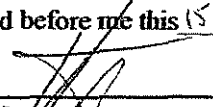
- (i) Set forth in detail the projected income and expenses for the first year of condominium operation
- (ii) Affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) Does not omit any material fact;
- (iv) Does not contain any untrue statement of a material fact;
- (v) Does not contain any fraud, deception, concealment, or suppression;
- (vi) Does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) Does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I 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. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.


Arie H Dreyfuss, Licensed Real Estate Broker

Affirmed before me this 15 day of October, 2018


Robert Kaszovitz
Notary Public- State of New York
No. 24-4918435
Qualified in Kings County
My Commission expires February 1, 2022