

CONDOMINIUM OFFERING PLAN
THE 27-21 27th STREET CONDOMINIUM
27-21 27th Street
Astoria, Queens N.Y.

8 residential units.....	\$7,571,250
6 Storage Units.....	\$90,000
Total Amount of Offering.....	\$7,661,250

NAME& ADDRESS OF
SPONSOR & SELLING AGENT
KST2 Properties LLC
30-77 38th Street
Astoria, N.Y. 11103

Date of Acceptance for Filing: _____

Plan may not be used after _____ unless amended.

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 GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

SPONSOR IS NOT RESERVING THE RIGHT TO RENT RATHER THAN SELL UNITS.

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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. Unit purchasers must occupy the units they purchase for the first five years as a condition to the granting of a 421-a partial tax exemption. The new 421-a program was enacted April 17, 2017. In order for the building to qualify the following conditions must be met: (i) The property must be located outside of Manhattan; (ii) The property must contain no more than 35 units; (iii) All units must have an aggregate assessed valuation not to exceed \$65,000 upon the first assessment following completion of construction; (iv) Each purchaser must agree in writing to maintain the unit as his/her primary residence for at least the first five years of ownership; (v) The building must have signed purchase agreements for all units in the building; (vi) An application for the benefits may only be submitted after completion of the building (confer with the adviser and clarify whether "completion" means PCO or TCO for the entire building) and must be submitted within one year of completion of the building. In the event it is reasonably apparent that all of the pre-conditions to the issuance of the tax abatement will not be achieved, the Sponsor will immediately submit an amendment to the plan disclosing that the tax benefits will not be obtained. For a further discussion, see section titled. *"Control By Sponsor"* *Notes to Schedule "A" (Note 5) "Real Estate Taxes and the Tax status of the condominium"* *"Rights and Obligations of Sponsor"* and *"Introduction"*.

In the event 421-a benefits are granted, such benefits will begin on July 1, 2020. However, the projected start date for condominium is January 15, 2020 and there will be a gap between implementation of benefits and the commencement of ownership of units, during which time, Purchasers will be required to pay the full tax, which will be significantly higher than the tax with 421-a benefits

For a further discussion, see section titled. *"Control By Sponsor"* *Notes to Schedule "A" (Note 5) "Real Estate Taxes and the Tax status of the condominium"* *"Rights and Obligations of Sponsor"* and *"Introduction"*.

2. Sponsor is not reserving the right to rent rather than sell units.

3. This Offering Plan provides that until Sponsor and Sponsor-designees convey title to all Units but in no event later than five (5) years after the date of the First Unit Closing, Sponsor or Sponsor-designees have the right to veto any action of the Board of Managers to: (i) make any addition, alteration, improvement or change in or to the Common Elements, any Unit or the Building; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; (iii) hire or replace any employee (in addition to the employees referred to in the Offering Plan); (iv) enter into, modify or terminate prior to the end of the term any management, service or

maintenance contract; (v) borrow money on behalf of the Condominium; (vi) add to, delete from, modify or amend the Declaration, By-Laws, or Rules and Regulations of the Condominium, or; (vii) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor may not exercise veto power over expenses described in Schedule "B" or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. The Sponsor may not exercise veto power over expenses described in Schedule "B." Sponsor's power to veto other expenses ends 5 years after the closing of the first unit, or whenever the unsold units are less than 25% of the common interest, whichever is sooner. See Section titled "*Control by Sponsor.*"

4. This Offering Plan provides that **time is of the essence** for Purchaser to cure any default under the Purchase Agreement within the applicable grace period. **Time is of the essence** means that if any default is not *cured within the applicable* grace period, Sponsor may elect (but is not obligated) to cancel the Purchase Agreement and retain the Down Payment, with interest, if any, as liquidated damages. In the event that the Purchase Agreement is cancelled, the Sponsor will have the right to sell the Unit to others as though the Purchase Agreement had never been made. For further discussion, please see the section titled "*Procedure to Purchase.*"

4. There is a financing contingency permitted under this Offering Plan. Thus, the failure to obtain financing will relieve Purchaser from his or her obligations under the Purchase Agreement, provided that the Purchaser complies with the terms and conditions of the Mortgage Financing Addendum. The purchaser must sign the Financing Contingency Rider in order to qualify for a financing condition. Under the terms of the Mortgage Financing Addendum, the Purchaser, shall have 45 days from the date of the fully executed contract received by Purchaser's Attorney to obtain mortgage financing. The maximum allowable financing is 75% of the purchase price.

Under New York law, when a mortgage commitment is not fulfilled through no fault of purchaser, performance is excused. 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. For a further discussion, see section titled "*Procedure to Purchase.*"

5. Sponsor and Sponsor-designees shall not control the Board of Managers upon the earlier of: (i) two (2) years from the date of the First Unit Closing; or (ii) whenever the unsold units constitute less than fifty (50%) percent of the Common Interest. If Sponsor elects to rent Units, then it is unlikely that it will give up control of the Board for two (2) years. The control period shall end at the latest on the two year anniversary of the first closing whether or not Sponsor elects to rent units. In no event shall Sponsor maintain control after all units have sold. A meeting shall be held to elect a new board unrelated to the Sponsor within 30 days after expiration of the control period. After two year period or the period when more than 50% of the units are sold, a majority of the board of managers must be owner occupants, or members of an owner occupant's household, who are unrelated

to the Sponsor or its principals. For further discussion, please see the section titled "*Control by Sponsor and Summary of By-Laws.*"

This Offering Plan provides that at the first annual meeting of the Condominium all Unit Owners, including Sponsor and Sponsor-designees, shall elect a new Board of Managers. Sponsor may have voting control of the Board of Managers if Sponsor and Sponsor-designee's as Unit Owners of Unsold Units are able to cast more than fifty (50%) percent of the votes. See Section titled "*Control by Sponsor.*"

6. *It is a special risk that deposits aggregating in excess of \$250,000 will not be federally insured in excess of \$250,000.* If purchasers have accounts at the same bank as Sponsor's account that holds escrowed funds, purchaser funds at the escrow bank factor into the \$250,000 insurance limit. See Section titled "*Procedure to Purchase.*"

7. It is a Special Risk that the plan may not be declared effective unless bona fide purchasers (including investors) have signed purchase agreements for at least fifteen (15%) per cent of the units offered under the plan. The Sponsor may declare the plan effective by selling a minimum of fifteen percent of the apartments in the building. If the plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the building with fewer than the minimum number of sales, if purchasers counted towards effectiveness do not ultimately purchase an apartment. If all purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, Sponsor must re-declare the offering plan effective. See Section titled "*Rights and Obligations of Sponsor*" and "*Effective Date of Plan*".

8. Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if the prospective buyers are unable to obtain a loan due to such minimum sales requirements. For further discussion, See section titled "*Procedure to Purchase*".

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

10. The Sponsor is transferring to the Purchaser the obligation to pay New York City and New York State Real property Transfer Taxes. New York City Real Property Transfer Taxes are assessed at 1% of the total consideration if the consideration is less than \$500,000 and 1.425% of the consideration if the consideration is \$500,000 or more. New York State Real Property Transfer Taxes are assessed at 4/10th of 1% of the total consideration. Tax is additional consideration upon which transfer tax is assessed. For a further discussion, see the Section entitled "*Closing Costs and Adjustments*."

11. No bond or other security is given to secure the Sponsor's obligations under this Offering Plan. For a further discussion, see Section titled "*Rights and Obligations of Sponsor*."

12. 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 may be released from the escrow account by the escrow agent as long as Sponsor uses the funds for such upgrades or extras if Purchaser is in default. In the case of Sponsor's inability to consummate the transaction, Sponsor will return the amount of money paid by Purchaser for upgrades or extras to the Purchaser. As a result, in the event a purchaser is entitled to rescission because of Sponsor's inability to close, the purchaser will receive a refund of any funds used for upgrades or extras. For further discussion, see section titled "*Procedure to Purchase*".

13. It is a Special Risk that Unit Owners must notify the Managing Agent in writing when a child or children under the age of 11 years lives or resides (even temporarily) in the Unit. Each Residential Owner shall install at the Residential Owner's expense, the required Window Guards in all windows of the Unit and shall not remove them until permitted by law and in any event, not without the full knowledge of the Managing Agent. For a further discussion, see section titled "*Unit Purchasers and the Board of Managers*".

14. It has been customary for units in new constructed and gut rehab co-ops and condos to close after a temporary certificate of occupancy ("TCO") covering such units has been issued. Sponsor will send closing notices for units covered by TCOs and purchasers will be required to close with a TCO, rather than a permanent certificate of occupancy in place. TCOs are issued for three months at a time and must be extended for up to two years after which they must be succeeded by a permanent certificate of occupancy. The NYC Department of Buildings advises purchasers of houses and apartment, who close with only a TCO in place to consult with their attorneys or engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent certificate of occupancy. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO") and sometimes with several successive temporary certificates of occupancy. Certificates of Occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both FCOs and TCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to

indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell units. In New York City, it is common for Sponsors to commence unit closings when some or all units are covered by a TCO rather than an FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to the expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because Sponsor and the by-laws of the Condominium may permit unit owners to undertake renovations to individual units prior to the procurement of a FCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the FCO.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website

at: http://www.nyc.gov/html/dob/downloads/pdf/co__factsheet.pdf

For a further discussion, see section titled "*Rights and Obligations of Sponsor*".

15. The Sponsor anticipates that the first closing of a Unit will occur by January 15, 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 January 14, 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 will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date.

However, if the first unit closing occurs before January 15, 2021, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless your Purchase Agreement contains an outside closing date, 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.

For a further discussion see section titled "*Rights and Obligations of Sponsor*".

16. It is a Special Risk that the useable square footage of a unit will be significantly less than the square footage disclosed in schedule "A". For a further discussion, see sections titled '*Notes to Schedule "A"*'.

17. It is a Special Risk that the dimensions and layout of the Units set forth on the Floor Plans are approximate and may vary from the actual dimensions and layout of a Unit due to change in fenestration and/or other revisions deemed advisable by any governmental agency or as necessary due to job conditions. PROSPECTIVE PURCHASERS ARE ADVISED TO EXAMINE AND MEASURE A UNIT PRIOR TO SIGNING A PURCHASE AGREEMENT FOR SUCH UNIT. Purchasers shall not be excused from purchasing a Unit pursuant to a Purchase Agreement so long as the dimensions and layout of such Unit substantially conform to the Floor Plans. There is a rebuttable presumption that an area that is diminished by 5% or less is not material. However, a Purchaser may consider such a reduction in the smaller sections of the unit, such as a close, foyer or bathroom, to be a material and adverse change. In such instance, a Purchaser may not have a lawful basis to seek recourse from the Sponsor or an abatement in the purchase price as a result of such reduction. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. For a further discussion, see "*Notes to Schedule "A"*".

18. Smoking is not permitted anywhere in the building (except inside units) including common areas. Smoking is permitted inside units. The smoking policy is intended to be the same as the policies set forth in the Smoke Free Air Act. NYC Administrative Code § 17-505. ("SFAA"). SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working) For a further discussion, see section titled "*Unit Purchasers and the Board of Managers*".

19. There is no managing agent during the Sponsor control period. After one (1) year Sponsor is not required to manage the building. During the Sponsor control period (two years, or until Sponsor sells 50% or more of the units, whichever is sooner) Sponsor could effectively prevent the hiring of a managing agent because of Sponsor's control of the Board. A market rate charge for the managing agent will be \$6,000 a year when Sponsor gives up the management of the building. If Condominium's Board of Managers desires to hire the managing agent, common charges paid by the Condominium will increase. During the control period, Sponsor will be responsible for managing the condominium and performing such duties as necessary. For a further discussion see sections titled "*Management Agreement*".

20. It is a Special Risk that if a Purchaser causes delay in his/her closing, the Sponsor shall have the right to charge 8% interest on the purchase price during the period of the delay. In no event shall any such penalty exceed New York State usury laws. For a further discussion see section titled "*Closing Costs and Adjustments*".

21. It is a Special Risk that a person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured and that such person assumes the risk of losses not covered by insurance. For a further discussion see section titled "*Interim Leases*".

22. The Housing Merchant Implied Warranty applies to this Offering. The 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, and that 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. For a Further discussion, see Section titled "*Rights and Obligations of Sponsor*".

23. It is a Special risk that the By-Laws contain an arbitration provisions and a provision waiving jury trial and therefore, any dispute between a Unit Owner and the Condominium would be resolved through arbitration or through a Court proceeding without a jury trial. For a Further discussion, see the *By-Laws*.

24. Cellar, rear yard and terrace/balcony spaces are uninhabitable and may not be legally used as bedroom/dining/living space and to do so may result in a building code violation. For a Further discussion, see section titled "*Description of Property and Specifications*".

25. It is a Special Risk that this Offering Plan makes no provision for a Reserve Fund. For a further discussion, see section titled "*Reserve Fund*."

26. It is a Special Risk that the building will only have a part-time super who will work 20 hours per week at \$9.23 per hour. The superintendent will be responsible for minor repairs and cleaning. More substantial repairs will be performed by outside independent contractors. The Administrative Code of the City of New York, § 27-2052, et seq., requires one of the following when a building has 9 or more (rental) units: (1) that the owner performs the janitorial services; or (2) that there be a full time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. For a further discussion, see section titled "*Notes to Schedule B*".

27. The 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 geographic targeting order ("GTO") (2) the purchaser purchases residential real property located in the Boroughs

of Bronx, Brooklyn, Queens, Manhattan, and Staten Island; (3) the total purchase price is in the amount of \$300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency. As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018 . For a further discussion, see section titled "*Closing Costs and Adjustments*"

28. Please be advised that the Sponsor is not providing a NDL Manufacturer's Warranty for the new roof. The absence of such 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 and replacement of the roof membrane may be anticipated and budgeted for.

INTRODUCTION

1. The Property:

Sponsor presents this offering Plan with the intention of setting forth herein the material terms of the offering relating to the offering of condominium units at the premises located at 27-21 27th Street, Long Island City, NY (The Land, Building, and Appurtenant Interests are hereinafter sometimes referred to as the Property and/or the Condominium.) The Offering Plan may be amended from time to time to reflect changes in the terms of the offering by filing an amendment with the New York State Department of Law and serving the amendment on Purchasers and Unit Owners.

The Condominium will be organized pursuant to, is subject to and complies with Article 9B of the New York Real Property Law, as amended, commonly known as the New York Condominium Act.

The Sponsor is KST2 Properties, LLC, with an address at 30-77 38th Street, Astoria, NY 11103. The Sponsor acquired title to the property on May 23, 2017.

The Plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the plan will be available for inspection without charge, as for copying at a reasonable charge to prospective purchasers and their Attorneys at the site whenever the on site sales office is open and at the office of the Selling Agent or Sponsor.

2. The Building:

Sponsor is constructing the Building, which will consist of 4 stories. Eight Residential Units and six storage unit are being offered for sale. Sponsor reserves the right from time to time to amend the Offering Plan to offer such Units for sale.

The prices of the Units are stated in Schedule A. Sponsor shall obtain a temporary or permanent Class A residential Certificate of Occupancy, which shall cover each Unit prior to the closing of title to such unit. In the event that a permanent Certificate of Occupancy has not been obtained by such closing, Sponsor is subsequently obligated to obtain same.

The Building will be of 1-B construction. The Building will contain 16 Residential Units and six storage units. Prices of the Units are set forth on Schedule A of the Plan. The building is expected to be completed on January 15, 2020 when a permanent certificate of occupancy is expected to be issued.

3. The Units:

There are 8 Residential Units and six storage units. The Units are being offered as condominium units in accordance with this Offering Plan at the prices noted in the section titled "*Schedule A.*" These prices have been established solely by Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

It is the Sponsor's intent to sell all residential units. Sponsor is not reserving the right to rent rather than sell units. All units must be sold to persons that will reside in them for the first five years as a condition to obtaining a 421-a tax exemption. The Sponsor has no construction financing.

The Purchaser of a Unit (Unit Owner) owns his or her Unit outright and is entitled to exclusive possession of that unit together with an interest in and right to use the common elements, and exclusive right to use limited common elements. Each Purchaser will own his or her Unit similarly in many respects to the manner in which a private homeowner owns a home. (References to gender in the Offering Plan shall be deemed to be plural where the context so requires and shall be deemed to include any duly formed partnership, corporation, trust, estate, fiduciary, unincorporated association or any other entity permitted to own real property in State of New York.) A Unit owner owns the Unit outright in fee and is entitled to the exclusive possession of the Unit. A Unit owner is also the owner, in common with the owners of all other Units, of all remaining parts of the Property except for the Units themselves, including the Land upon which the Units are built, the exterior walls and the roofs (collectively, called Common Elements). Each Unit Owner's proportionate share (Common Interest) of the Common Elements has been determined pursuant to New York Real Property Law Sections 339-i and 339-m. Unit Owners must pay Common Charges in accordance with the New York Condominium Act, Real Property Law Sections 319(i) & (m). Any portion of the Land or Building, other than the Units themselves, which are for the use of one or more specified Units to the exclusion of all others are known as Limited Common Elements. Unit Owners have the exclusive right to use the limited Common Elements, which are appurtenant to their Unit.

Each Unit Owner must comply with the Declaration, By-Laws, Rules & Regulations, and other requirements of the Condominium Board of Managers.

The Board of Managers has authority to manage the condominium, and Unit Owners vote for the Board of Managers.

Each Unit Owner is generally permitted to mortgage his or her Unit on the terms and in such amount as he or she chooses. A Unit is not subject to the lien of any mortgage placed by any other Unit Owner on his or her Unit.

A Unit Owner can sell or lease the Unit to anyone without or limitation, subject only to a right of first refusal by the Board of Managers of the Condominium to purchase such Unit at the same price and on the same terms such Unit Owner has been offered. However, Unit Owner can sell or lease their interest in their Unit to their Family Members or their Affiliates, as the case may be, without being subject to the right of first refusal. In the event of a proposed sale or lease, the Unit Owner shall give the Board of Managers (i) written notice of his or her intention to sell or lease the Unit and whether the purchaser or lessee is a Family Member or Affiliate, (ii) a fully executed copy of the contract of sale or lease, and (iii) a fee to the Board of Managers and/or Managing Agent to cover reasonable legal and other expenses in connection with the sale or lease of the Unit. The sale or lease of a Unit owned by Sponsor, any Sponsor-designee, or any partner of any entity affiliated directly or indirectly with Sponsor, and the sale or lease by a permitted mortgagee shall be exempt from such right of first refusal and from the notification and fee requirements. Right of first refusal does not conflict with Fannie Mae and Freddie Mae guidelines/requirements and there is no any effect on ability to obtain financing from certain lenders. (See a definition of a Permitted Mortgage on page 17 of the Offering Plan). This right of first refusal is further described in the section titled "*Rights and Obligations of Board of Managers and Summary of By-Laws.*"

A Unit can be occupied by the Purchaser of the Unit and/or any Family Member, principal, or employee of Purchaser or its Affiliates.

A Unit Owner can alter and decorate the interior of the Unit as he or she desires, subject to local codes. A Unit Owner is obligated for the cost of his or her own interior decoration, maintenance, and repair after closing.

The Condominium Board does not have the right to approve or disapprove purchasers. 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.

After each Unit has been separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible if any of the other Unit Owners fail to pay their real estate taxes. In the opinion of counsel for Sponsor, a Unit Owner, like a home owner, may deduct from his or her income for income tax purposes his

or her real estate taxes and the interest paid on the mortgage encumbering the Unit(s) owned by him or her provided such Unit is used by the Owner as a principal or second home. Any purchaser who does not intend to use the Unit as a principal or second home should consult with his or her own tax adviser. The Board of Managers of the Condominium will assess charges (called Common Charges) against each Unit Owner for the Maintenance of the Common Elements and for the operating costs of the Property (called Common Expenses), as provided in New York Real Property Law Section 339-i and 339-m and as described in the subsection titled "*Notes to Schedule B.*"

Electricity, supplied to each Unit shall be individually metered. All charges for electricity consumed or used in each unit shall be payable directly to the utility company.

As previously stated, each Unit Owner will be responsible for maintaining his or her own Unit and for making repairs within his or her own Unit. Each Unit Owner may obtain, at his or her own cost, casualty, and liability insurance in connection with his or her respective Unit subject to the terms of the By-Laws. As described in the Notes to Schedule B, the cost of maintaining and repairing the Common Elements shall be shared by all Unit Owners. Each Unit Owner shall have the same rights of access to, use of and benefit of the Common Elements. The cost of maintaining and repairing the Limited Common Elements, other than structural repairs, shall be paid by the Unit Owner or Unit Owners with exclusive access to the Limited Common Element. The Board of Managers shall have the duty of obtaining casualty and liability insurance on behalf of the Condominium.

The plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Department of Law in connection with the filing of the plan will be available for inspection and copying at a reasonable charge at the Department of Law. Also, the plan will be available for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on site sales office is open and at the office of the selling agent or Sponsor.

All equipment and appliances within a unit are included in the sales price.

Cellar, rear yard and terrace/balcony spaces are uninhabitable and may not be legally used as bedroom/dining/living space and to do so may result in a building code violation.

A Unit may be purchased by a natural person, corporation, partnership or limited liability company.

4. Board of Managers:

The Board of Managers of the Condominium shall be elected by the Unit Owners (including Sponsor and Sponsor designees as to Units owned by them) with the number of votes allocated to each Unit Owner determined by his or her percentage of Common Interest. The Board of Managers of the Condominium shall be elected by the Unit Owners (including Sponsor and Sponsor designees as to Units owned by them) with the number of

votes allocated to each Unit Owner determined by his or her percentage of Common Interest. The Board of Managers shall have authority to manage and administer the affairs of the Condominium, including, without limitation, the determination of Common Charges and the adoption of Rules and Regulations covering the Condominium. Sponsor's power to veto expenses ends 5 years after the closing of the first unit, or whenever the unsold units are less than 25% of the common interest, whichever is sooner. See Sections titled "*Control by Sponsor.*" and "*Rights and Obligations of the Board of Managers/Summary of By-Laws*" for further discussion.

5. Miscellaneous:

Units may be purchased either by natural persons 18 years of age or older or by a duly formed limited liability company, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York.

Parts I and II of the Offering Plan, including all Schedules, and Parts A, B, C and D of the Exhibits submitted to the Department of Law, constitute the entire offering of these condominium units and are intended to disclose all the material terms of the transaction. Parts A, B, C and D of the Exhibits will be available for inspection without charge and for copying at a reasonable charge by prospective Purchasers and their attorneys at the on site sales office at all times such office is open. All documents forming a part of this Offering Plan are important. It is suggested that you consult your own attorney or financial advisor before purchasing a Unit and provide such person with a copy of this Offering Plan.

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

CERTAIN DEFINITIONS:

Affiliate	- An Affiliate of, or Affiliated with, a specified corporation or partnership, shall mean a corporation limited liability company or partnership that directly or indirectly, through one or more intermediaries, controls or is controlled by, or in under common control with, the corporation or partnership specified.
Appurtenant Interest	- With respect to any Unit, the undivided interest of the owner thereof, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.
Board of Managers	- The governing board of the Condominium that represents the Unit Owners and manages the Condominium pursuant to the provisions of the By-Laws and of the Offering Plan. The Board is composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest.
Building	- The structure known as The 27-21 27 th Street Condominium constructed or being constructed at 27-21 27th Street , Long Island City, NY 11101.
Bulk Sale	Sale of two (2) or more Units
By-Laws	- Refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.
Closings	- Refers to the time, place and procedure by which fee title to the unit in question is conveyed to the Purchaser pursuant to a Purchase Agreement.
Closing Date	- Refers to date on which Closing occurs.
Common Charges	- Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

Common Elements

- All portions of the Property other than the Units, including without limitations:

- (a) The land on which the Buildings are located;
- (b) All foundations, columns, girders, beams, supports, bearing walls, exterior walls and roofs, attics, concrete and masonry at the exterior face of the Building; (b) those portions of the walls and partitions dividing the Units from exterior walls, corridors, stairs or other Units located beyond the center line of partitions enclosing the Units; and (c) the concrete floor and beams, including any framing attached to the structure from which Drywall ceiling is attached on the first floor and cellar, (d) those portions of the exterior walls including and beyond the Unit side of the concrete block walls at the exterior face of the Building; and (e) the concrete floor to and including the underside of the concrete floor to and including the foundation; roofs, corridors, halls, stairs and stairway areas; lobbies; the area designated as Superintendent's storage area; storage and utility areas; all portions of the basement which are not included within a particular Unit; laundry facilities not located within a Unit and entrances to and exits from the Building; all other areas of the first floor;
- (c) Central and appurtenant installations for services such as electricity, steam, gas, hot and cold water, telephone, and refrigeration which are not included in a particular Unit;
- (e) Such facilities as may be designated as Common Elements in the Declaration; and
- (f) All other parts of the Property necessary or convenient to its existence, maintenance, and safety, or normally in common use;
- (g) The elevator if any.

Common Expenses

- (a) Expenses of operation of the Property, and
- (b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

Common Interest	- The (i) proportionate, undivided interest in fee simple absolute or (ii) proportionate undivided leasehold interest in the Common Elements appertaining to each Unit, as expressed in the Declaration.
Condominium	- A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple, with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan, Condominium specifically refers to The 27-21 27th Street Condominium.
Condominium Act	- Article 9-B, Section 339-d to Section 339-ii of the Real Property Law of the State of New York, and the same may be amended from time to time.
Condominium Documents	- The Declaration, the By-Laws and the Rules and Regulations.
Declaration	- The instrument creating the Condominium, as may be amended from time to time, by which the Property is submitted to the provisions of the New York Condominium Act, the form of which is set forth in Part II of the Offering Plan.
Down Payment	- Refers to the money that a person desiring to purchase a Unit must deliver to the Sponsor at the time such person delivers an executed Purchase Agreement to the Sponsor.
Family Members	- The spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law, grandparents, great-grandparents, aunts, uncles, nephews and nieces of a Unit Owner who reside in such Unit Owner's Unit.
First Unit Closing	- The first closing of title with a bona fide Purchaser of a Unit.
Floor Plans	- The floor plans of the Units certified by Christopher V. Papa, Architect at 22-02 Steinway

Street, Astoria, NY 11106, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

Inspection Statement

- A memorandum of work in which the Sponsor and Purchaser agree to the work Sponsor must perform or complete in or to the Purchaser's Unit and which obligations of Sponsor shall survive the closing of title to such Unit, the form of which is attached to the form of Purchase Agreement which is set forth in Part II.

Institutional Mortgage

- Any first mortgage covering any Unit that in a Permitted Mortgage and the initial holder of which in either Sponsor or a Sponsor designee or an institutional lender.

Insurance Trustee

- A bank or a trust company, in either event having both an office in the City of New York and a capital surplus of \$500,000,000 or more, from time to time appointed to serve as such by the Board of Managers.

Land

- All that certain tract, plot, piece and parcel of land situated, lying and being in the City of New York, County of Queens and State of New York, as more particularly described in Exhibit A to the Declaration.

Law

- The laws and ordinances of any or all of the Federal, New York State, New York City, Queens County and Borough of Queens, 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.

Limited Common Elements

- Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a single Unit Owner. These include, but are not limited to balconies.

Majority

- As may be specified herein or in the Declaration or by the By-Laws with respect to any

	matter or matters, a majority of Unit Owners means more than fifty percent in Common Interest in the aggregate. As may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, any specified percentage of Unit Owners means such percentage in Common interest in the aggregate.
Managing Agent	- Refers to the Board of Managers of 27-21 27th Street Condominium with offices at 27-21 27th Street, Long Island City, N.Y. 11101.
Mortgage Representatives	- 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.
Offering Plan	- The document, as may be amended from time to time, filed with the New York State Department of Law which describes the Property and pursuant to which individual Units in the Condominium are offered for sale.
Operation of the Property-	The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
Permitted Mortgage	- Any mortgage covering a unit that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws. This includes a Fannie Mae and Freddie Mac approved lender.
Permitted Mortgagee	- Any holder of a Permitted Mortgage at the time in question.
Person	- A natural person, corporation, partnership, association, trustee or other legal entity.
Power of Attorney	- The document which is set forth in Part II of the Offering Plan, signed by Unit Owners, which appoints:

(i) the Board of managers as attorney-in-fact to acquire or lease, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interests thereto and to deal with any such Units so acquired as they may determine and to amend the Declaration, and By-Laws as authorized therein, and

(ii) the Sponsor as attorney-in-fact to amend the Declaration, the By-Laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.

Property

- Includes the Land, the Building and all other improvements thereon, owned (subject to the title exceptions described herein) in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York Condominium Act.

Purchase Agreement

- Refers to the contract of purchase and sale for a Unit as set forth in Part II of the Offering Plan.

Purchaser

- Any Person who has entered into an agreement with Sponsor to purchase any Unit and in not in default thereunder.

**Recording Officer and
Recording or Recorded**

- Shall have the meanings stated in Section 290 of the New York Real Property Law.

Rules and Regulations

- 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.

Selling Agent	- Refers to KST2 Properties LLC with an office at 30-77 38th Street, Astoria, NY 11103 or its successor in such capacity.
Special Assessments	- The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata in accordance with their respective interests (except as otherwise provided in the Declaration or in the By-Law), in accordance with paragraph (c) of Section 6.1 of the By-Laws.
Sponsor	- KST2 Properties LLC at with an office at 30-77 38th Street, Astoria, NY 11103 or its successor in such capacity.
Sponsor-designee	- Any Person designated by Sponsor to hold title to any Unsold Unit. Sponsor's statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a Sponsor-designee.
Unavoidable Delays	- Shall mean delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor, or lightning, earthquake, fire, storm, hurricane, flood washout, explosion, act of God or any cause whatsoever beyond the reasonable control of Sponsor whether or not similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond the control of Sponsor.

Unit	- Any apartment in the Building designated as a Unit and owned in fee simple absolute.
Units	- The Condominium contains eight Residential Units and 6 storage units, defined and located on floors numbered one through four (4), which Units are more particularly described in Article 5 of, and Exhibit B to, the Declaration and in the Floor Plans.
Unit Deed	- The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.
Unit Designation	- The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.
Unit Owner	- The Person or Persons owning a Unit in fee simple absolute. Collectively, Unit Owners means the respective owners of the Units.
Unsold Units	- Any Unit owned by Sponsor or Sponsor-designee at the time in question.

DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS:

1. The Property:

The Property consists of 8 residential units and six storage units. It is a newly constructed building consisting of four (4) floors a mezzanine and a cellar. It was acquired by the Sponsor on May 23, 2017. A detailed description of the property with specifications prepared by Christopher V. Papa, an Architect whose office is located at 22-02 Steinway Street, Long Island City, NY 11106, which is included in Part II of the Offering Plan.

The Property will be improved and the building constructed in accordance with all applicable building and zoning laws and requirements, which apply. The applicable zoning resolutions are the zoning resolutions of the City of New York and the Building Code of the Building Department of the City of New York.

It is expected that the entire project including all the units and the common elements will be completed on January 15, 2020 when a permanent certificate of occupancy will be issued.

The Property has a ground area of approximately 3,103 square feet. It is located on 27th Street, 175 feet south of Newtown Avenue. It consists of approximately 25' wide of frontage along 27th Street, and the depth of the property is approximately 123 feet. No roads are being constructed by the Sponsor. It is designated as Tax Lot 38 in Block 575 of the Borough of Queens on the Tax Map of the City of New York.

2. The Building:

The Building is now under construction and vacant now. Sponsor is constructing the Building, which contains a cellar and 4 floors and a mezzanine. The Building contains eight residential apartments (all of which are offered for sale) which are located on floors numbered one (1) through four (4). There are no parking spaces. There are six storage spaces. The building has a cellar, containing meter rooms, sprinkler rooms and 6 storage spaces offered for sale. The storage spaces range in size from 19 to 21 square feet each.

Unit 1B includes 498 square feet in the cellar. This space may not be legally used as a bedroom or living room and that to do so may result in a building code violation being issued for the building.

The main entrance to the Building is at the ground floor level which fronts onto 27th Street. The mail will be delivered to mail boxes on the front of the building. Deliveries will be made through the main entrance. The building has an elevator.

Keyspan will provide the service of gas usage. The Building will be heated by individual gas boiler and hot water heater. Boilers are located on roof. Hot water heaters

are located in each unit. Electricity will be supplied by Con Edison to each Residential and Community Facility Unit shall be individually metered and billed. All charges for electricity consumed or used in the Common Areas and for gas used in the common areas and water shall be collected by and payable to, the Board of Managers or its agent, as and when billed as part of Common Charges.

The Building was constructed in accordance with all applicable zoning and building laws, regulations, codes and other requirements of the New York City Building Code and applicable zoning requirements.

The approximate construction timetable for completion of the first Unit and substantial completion of the Common Elements is January 15, 2020 upon which date a Certificate of Occupancy is expected to be issued.

3. The Units:

The floors in the Units will be hardwood, with granite floor tile in the kitchen. The bathroom floors and the area around the bathtubs in a Unit will be ceramic tile and the bathroom sink will be vitreous china or its equivalent. Each unit has its own 3' x 3' laundry room equipped with a double deck washer and dryer machine.

Each kitchen in a Unit shall contain ceramic tile floors, cabinets and counters, a range, exhaust hood and refrigerator as set forth in greater detail in the section titled "*Description of Property and Specifications.*"

4. Security:

The Building will be secured by buzzer-type door panel located at the front entrance of basement level. No representation, guaranty or warranty is made, nor assurance given, that the security systems and procedures will prevent personal injury or damage to or loss of personal property. While Unsold Units are being offered for sale or lease by Sponsor, there will be a greater number of visitors to the Building than may otherwise be the case. No representation is made as to when such selling or leasing activities will terminate. Neither Sponsor nor Managing Agent shall be liable or responsible for any personal injury or for any loss of or damage to personal property or any Unit or the Common Elements, which may result from a failure of the security systems and procedures.

LOCATION AND AREA INFORMATION:

The property is located in Long Island City section of Queens, City and State of New York. It is situated about 175 feet from the corner of Newtown Avenue.

The surrounding area is a mixture of small residential buildings, small businesses and medium sized apartment buildings and retail stores. The property is in close proximity to public transportation and main roadways. Neighborhood amenities include shopping, schools and public transportation.

The closest subway lines is the N & Q trains which stop at 30th Street and Grand Avenue, about 3/10 of a mile. The M & R trains stop at Steinway Street which is a 21 minute walk (1.1 miles).

The nearest public schools are as follows: Long Island City High School, 14-30 Broadway, LIC, NY ; Middle School: 31-51 27th Street, LIC, NY ; Elementary School: PS 17: 28-37 29th Street, LIC, NY.

The property is within the 114th Police Precinct and is served by the E262 Fire Company.

As the property is located within the City of New York, all municipal services are provided by the City of New York. These include police, fire, water, sanitation, snow removal and road maintenance services.

The property is located within R-6B zoning district. In an R-6B zoning district residential uses are permitted.

Neither sponsor nor any of Sponsor's principals own, in whole or in part, or have an option or right to acquire, in whole or in part, any adjoining areas that are not fully develop.

[illegible]

NOTES TO SCHEDULE A

1. The floor plans are included in the plan in Part II. Dimensions of apartments and square footages are calculated from interior wall to interior wall based upon "net square feet". The dimensions and layout of the Units set forth on the Floor Plans are approximate and may vary from the actual dimensions and layout of a Unit due to change in fenestration and/or other revisions deemed advisable by any governmental agency or as necessary due to job conditions. PURCHASERS ARE ADVISED TO EXAMINE AND MEASURE A UNIT PRIOR TO SIGNING A PURCHASE AGREEMENT FOR SUCH UNIT. Purchasers shall not be excused from purchasing a Unit pursuant to a Purchase Agreement so long as the dimensions and layout of such Unit substantially conform to the Floor Plans.
2. Offering prices are negotiable and subject to change. See section titled "*Changes in Prices or Units.*" In addition to the purchase price, Purchaser will be responsible at Closing for certain other expenses as explained in the section titled "*Closing Costs and Adjustments.*"
3. The percentage of Common Interest allocated to each Unit is based upon the floor space, which allocation is provided for in Section 339-i(1)(iv) of the Real Property Law. The aggregate Common Interest of all Units equals 100%. There are no special allocations for this condominium.
4. These estimates are based upon the Projected Budget for First Year of Condominium Operation, which was prepared for the fiscal year commencing January 15, 2020, and which appears in Schedule B of the Offering Plan. The actual first year of operation may be earlier or later than that year. These estimates do not include the cost of electricity or heat, which is consumed in each Unit. Electricity and heat used by each Unit shall be individually metered and billed to the Unit Owner by the utility company. Please see Schedule B-1 for individual utility charges.

In addition to these estimated Common Charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of his or her Unit; (ii) the cost of electricity and heat, supplied to his or her Unit; which electricity, shall be individually metered and billed by and payable to the utility company; (iii) the cost of painting and decoration of his or her Unit; (iv) the cost of interior repairs to and the maintenance of his or her Unit, including but not limited to, repairs to and maintenance of the exposed face of all walls, ceilings and floors and all kitchen and bathroom fixtures and appliances installed therein by the Sponsor pursuant to this Offering Plan; (v) the cost of any insurance that he or she obtains covering (a) furniture, belongings, equipment and other personal property and (b) liability to others for personal injury or property damage as a result of occurrences in his or her Unit; and (vi) real estate taxes. Unit Owners of Units with appurtenant Limited Common Elements are also responsible for the non-structural maintenance and repairs of such Limited Common Elements.

5. **Projected Monthly Real Estate Taxes:**

Unit purchasers must occupy the units they purchase for the first five years as a condition to the granting of a 421-a partial tax exemption. Sponsor is not reserving the right to rent units. The new 421-a program was enacted April 17, 2017. In order for the building to qualify the following conditions must be met: (i) The property must be located outside of Manhattan; (ii) The property must contain no more than 35 units; (iii) All units must have an aggregate assessed valuation not to exceed \$65,000 upon the first assessment following completion of construction; (iv) Each purchaser must agree in writing to maintain the unit as his/her primary residence for at least the first five years of ownership; (v) The building must have signed purchase agreements for all units in the building; (vi) An application for the benefits may only be submitted after completion of the building (confer with the adviser and clarify whether "completion" means PCO or TCO for the entire building) and must be submitted within one year of completion of the building. In the event it is reasonably apparent that all of the pre-conditions to the issuance of the tax abatement will not be achieved, the Sponsor will immediately submit an amendment to the plan disclosing that the tax benefits will not be obtained.

In the event 421-a benefits are granted, such benefits will begin on July 1, 2020. However, the projected start date for condominium is January 15, 2020 and there will be a gap between implementation of benefits and the commencement of ownership of units, during which time, Purchasers will be required to pay the full tax, which will be significantly higher than the tax with 421-a benefits

After the condominium is divided into separate tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes and the unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the nonpayment of taxes on other units. The projection assumes that the real estate taxes will be apportioned to the Units according to the proportion that each Unit's percentage of Common Interest bears to the aggregate Common Interest of all Units. No assurances can be given that this method of apportionment of real estate taxes will be used by the City of New York taxing authorities. The real estate taxes are based on a projected assessed valuation of the premises for the 2019/2020 tax year of \$499,900 without a 421-a partial tax exemption and \$49,900 with a 421-a partial tax exemption. The tax liability from January 15, 2020 to January 14, 2021 is estimated at \$64,000 assuming no 421-a Benefits, and at \$6,400 assuming that the condominium is eligible for an abatement, which is expected to go into effect on July 1, 2020. The tax rate used to calculate projected real estate taxes is 12.8%.

As set forth in, greater detail in the Section of the Offering Plan entitled "*Tax Exemption Benefits*" and in Part II, Exhibit I, Sponsor will apply for a Certificate of Eligibility under Section 421-a of the Real Property Tax Law for a tax Abatement. Sponsor expects to complete construction on January 15, 2020 and that the tax exemption benefits will commence on July 1, 2020 and continue for up to twenty (20) years. In order for the property to qualify for the exemption, certain conditions must be met: (a). the aggregate assessed value cannot exceed \$520,000; and (b). all unit purchasers must agree in writing to reside in their units for the first 5 years. If either condition cannot be fulfilled, Sponsor shall

advise the unit purchasers by an amendment to the plan that the sponsor cannot obtain the 421-a exemption.

The estimated assessed valuation after completion of improvement is projected at \$499,000.

The benefits will begin July 1, 2020, and should continue for a period of twenty (20) years, to be phased out at 20% per year for the last four years.

Sponsor rents any residential unit (or portion thereof) to any person other than an interim lessee, Sponsor is obligated to abandon the offering plan in accordance with the provisions of 13 N.Y.C.R.R. sections 20.1(1)(2) and 20.5(g).

Sponsor will use best efforts to obtain a certificate of eligibility for 421-a benefits. The benefits are for 20 years. After the sixteenth year, the amount of the partial tax exemption will progressively decrease in value and after the fourteenth year, it will be eliminated. The Sponsor does not and cannot guarantee that the Condominium will actually receive tax exemption or abatement benefits. See Section titled "*Real Estate Taxes*."

Please consult the sections of the Plan titled "*Tax Exemption Benefits*" and "*Counsel's Real Estate Tax Benefits Opinion*" for further discussion. As noted in the section entitled "*Real Estate Taxes*." See "*Tax Exemption Benefits opinion*" of Thomas E. Berinato.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, Sponsor will escrow with the Federal Standard Abstract (a title company licensed in New York State) an amount sufficient to pay real estate taxes for all units for six months from the first unit closing, or until the units are separately assessed, whichever is shorter. The title company will pay the real estate taxes from this escrow account as they become due and payable. At each Unit closing, real estate taxes will be adjusted between Sponsor and the Unit Purchaser through the end of the tax payment period within which the Closing occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. See section titled "*Closing Costs and Adjustments*" for further discussion. It is a *Special Risk* that the Condominium may not receive real estate tax benefits.

421-a real estate tax exemption benefits may vary in future years due to changes in real property taxes resulting from the expiration (or phasing out) of real estate tax benefits, or from changes in assessed value, the tax rate or the method of assessing real property.

6. Monthly Carrying Charges:

This figure is the sum of (i) projected monthly Common Charges and (ii) the projected monthly real estate taxes. In addition to the projected monthly Common Charges and any real estate taxes, the Unit Owner will be responsible for repairs to the interior of the

Unit and separately metered electricity. If a Unit Owner obtains financing, the debt service on such financing will be an additional monthly expense. Under present law each Unit Owner, (if he or she itemizes deductions), will be entitled to a deduction for the interest component of any such debt service if the Unit is used as a primary or secondary home as well as for his or her real estate taxes. The amount of the deduction (if any) may vary in future years, due to changes on 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 the method of assessing real property. Any Purchaser who does not intend to use the Unit as a principal or second home should contact his or her tax advisor. See section titled "*Opinion of Counsel.*"

**PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
SCHEDULE B**

From January 15, 2020 to January 14, 2021

PROJECTED INCOME

1. Common Charges	\$50,400
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PROJECTED EXPENSES

2. Labor	\$7,000
3. Heating	\$ 0
4. Common Area Electricity	\$7,800
5. Water/Sewer	\$6,900
6. Repair/Maintenance	\$3,500
7. Legal/Audit	\$5,000
8. Insurance	\$7,200
9. Management Fee	\$0
10. Contingency (10%)	\$5,000
11. Services & supplies	\$2,000
12. Elevator	\$6,000

TOTAL	\$50,400
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Note: If the actual or anticipated date of commencement of condominium operation is 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 twenty-five (25%) per cent or more, the Sponsor must offer all purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days of the date of presentation to exercise the right, whether or not the Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or down payment 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. Sponsor expects that the first closing of a unit will occur on or about January 15, 2020. If the date is delayed twelve months or more, purchasers will be offered rescission.

THE ACCOMPANYING NOTES, WHICH FOLLOW THIS SCHEDULE B, ARE AN INTEGRAL PART HEREOF AND SHOULD BE READ IN CONJUNCTION HERewith.

NOTES TO SCHEDULE B

1. **Common Charges: (\$50,400)**

Common Charges represent each Unit's proportionate share of the Common Expenses.

2. **Labor: (\$7,000)**

The condominium will have a non-union part-time superintendent who will work 10 hours per week at \$13.50 per hour. The superintendent will be responsible for minor repairs and cleaning. More substantial repairs will be performed by outside independent contractors. This level of staffing complies with all applicable housing and labor laws. The Administrative Code of the City of New York, § 27-2052, et seq., requires one of the following when a building has 9 or more (rental) units: (1) that the owner performs the janitorial services; or (2) that there be a full time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day. This building is not required to have a live in super because it has less than 9 units.

The building is exempt from the 421-a prevailing wage requirement because it contains fewer than fifty residential units.

3. **Heating and Hot Water: (\$0).**

Heat and hot water for the Units are paid for by individual unit owners. See Schedule B-1 for individual heating and hot water charges.

4. **Utilities (Electric) (\$7,800)**

On June 9, 2018, Kon Ho Lee of 728 Bay Ridge Avenue, Brooklyn, N.Y. 11220 has estimated that the building will use 29,839 kwh annually at \$.26 per kwh for electrical usage for the buildings common areas. This projection includes sales taxes and a 10% inflation factor.

For projections of unit Owner's cost, see Schedule B-1 of this Offering Plan. Electricity will be supplied to the building by Con Edison.

It is not possible to predict how closely the budgeted figure or the estimated electric energy cost for each Unit will reflect the actual expenses for electricity to be incurred during the first year of condominium operation because such expenses will vary with the level of consumption and the cost of electricity. Electricity is generated by the utility company by means of fuel oil as the primary energy source. In view of fluctuations in oil production by certain nations of the Organization of Petroleum Exporting Countries (OPEC) and

unpredictable rate increases imposed from time to time by one or more members of OPEC, it is likely that the cost of fuel oil used to generate electricity will increase in the future. Consequently, it is likely that electric rates will increase, although it is not possible to forecast the amount or timing of such increase. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity resulting from the foregoing during the first year of condominium operation.

Cooking Gas and gas for Heating and Hot Water are paid for by the individual unit owners.

5. Water and Sewer (\$6,900)

This figure is based upon an estimate provided by Kon Ho Lee of 728 Bay Ridge Avenue, Brooklyn, N.Y. 11220. Projected water & sewer charges are based on an estimate of 697.79 HCF per year, at a combined charge of \$9.87 for each hundred cubic feet of water consumed and sewer used. This estimate includes sales taxes and a 10% inflation factor.

6. Repairs and Maintenance: (\$3,500)

The figure does not include maintenance and repair expenses within each Unit. Such expenses are the obligation of the Unit Owner. The budgeted amount is based on normal maintenance and repairs and is designed to cover normal maintenance and repair costs associated only with the Common Elements, such as interior repairs, roof repairs, repairs to exterior walls, foundations, windows, doors and locks, plumbing repairs, electrical repairs, janitor supplies and painting of common areas. The amount is based on the experience of the Managing Agent in managing a new construction Building of comparable size, quality, and amenities. No provision has been made to cover the cost of any major capital expenditure. If such expenditure is required, each Unit Owner will be obligated to pay his or her pro rata share of such expenditure.

7. Legal and Accounting:(\$5,000)

The legal and accounting expenses are for legal consultation, accounting and auditing. The accounting quotation is based on a fee quotation of \$1,500.00 from CML & Associates, CPA, 139 Fulton Street, New York, N.Y. 10038 (tel no. (212) 226-9088) for the annual review of a certified financial statement for the first year of operation and City State and Federal tax returns. \$1,500.00 is budgeted for legal services in the event the corporation desires to retain an attorney to attend the annual meeting, and for the provision of minor legal services, taking no more than 2 hours to complete.

8. Insurance: (\$7,200)

The Condominium must have public liability insurance at closing. The budgeted amount for insurance, provided by APP Associates, 31-19 Newtown Avenue, Astoria, , NY

11102 is for the following coverage and is based upon premium costs from January 15, 2020 to January 14, 2021:

<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Building, All Risk replacement cost	\$5,500,000.00
Comprehensive General Liability	\$1,000,000.00 each occurrence \$2,000,000.00 general aggregate
Deductible Amount	\$5,000.00 each occurrence

Total Premium of the above is estimated at \$7,200 as of May 4, 2018. There is no Directors and Officers Liability. This insurance coverage meets the requirements of Silver Heights Development, Sponsor's mortgage Lender.

The Sponsor represents that it shall initially provide on behalf of the Condominium at the Condominium's expense, to be effective at the First Unit Closing, insurance in the amounts and for the coverage as set forth above.

The following will be named insured on the afore-described property insurance: the Board of Managers, each officer thereof, each Unit Owner, each Permitted Mortgagee, Sponsor and Managing Agent. There will be no cancellation without notice to each of the named and additional insured.

Comprehensive general liability insurance includes coverage for bodily injury and property damage caused by objects falling from balconies or terraces, but does not cover Unit Owner for his or her own negligence.

Fire and casualty insurance includes coverage for damage to all Common Elements, including, without limitation, damage to all walls, ceilings and floors in the Units (other than those walls, ceilings and floors erected by a Unit Owner other than Sponsor) as finished by the Sponsor in accordance with the section titled "*Description of Property and Specifications*" and all kitchen and bathroom fixtures and appliances installed therein by Sponsor as described in said section. The property coverage will be written on a replacement cost agreed amount basis. This coverage will prevent the Condominium from becoming a co-insurer in the event of fire or other casualty.

Coverage for rent insurance, water damage, elevator collision, boilers and machinery, auto liability, garage keeper's liability and a fidelity bond is not included, and may be available for an extra cost. The consequence of not having such additional insurance is that in the event of any uncovered claim or damage 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 policy will contain a waiver of subrogation, a waiver of defense based upon the acts of the insured and Unit Owners and a waiver of any pro rata reduction if additional Unit Owners obtain coverage. Sponsor represents that the amount of insurance described above is adequate to cover the replacement of the Building in the event of loss and is adequate to avoid the Condominium association from being a co-insurer.

No coverage is provided for such risks as fire and casualty losses to the contents of each individual Unit, except stated above, nor does the coverage take into account any future replacements, improvements or additions to either the Units or the fixtures and improvements contained therein. In addition, no liability coverage for an individual Unit Owner arising from any occurrence due to his or her negligence Unit is included in the coverage described above. PURCHASERS SHOULD OBTAIN THEIR OWN INSURANCE FOR RISKS OF FIRE AND CASUALTY LOSSES.

In recent years, premiums for insurance (especially fire and liability insurance) have increased significantly. It is not possible to predict whether future premiums will continue to escalate at the sum substantial rate or will level off. Although the projection is believed to be reasonable, no budget item is warranted. For further discussion of insurance coverage, please see the section titled "*Obligations of Unit Owners.*"

The terms of the insurance will provide that (1) each owner is an additional insured party, and (2) there will be no cancellation without notice to the Board of Managers.

9. Management Fees: (\$0).

At the first Unit Closing, the Board of Managers will assume the Management Agreement with Sponsor for a term of one year at no cost. During the control period, sponsor will be responsible for managing the condominium and performing such duties as necessary. After the first year, the building will be self-managed (it will be managed by the Unit Owners). Sponsor shall give the Board 60 days notice if Sponsor no longer is obligated to anAt the first Unit Closing, the Board of Managers will assume the Management Agreement with Sponsor for a term of one year at no cost. During the control period, sponsor will bed no longer desires to manage the building. During the initial Sponsor control period (two years, or until Sponsor sells 50% or more of the units, whichever is sooner) Sponsor could effectively prevent the hiring of a managing agent because of Sponsor's control of the Board. There is no managing agent during the initial Sponsor control period. After one (1) year Sponsor is not required to manage the building. During the first year Sponsor is obligated to manage the building. If Sponsor control period continues after one year (maximum two years) A market rate charge for the managing agent will be \$12,000 a year when Sponsor gives up the management of the building. If Condominium's Board of Managers desires to hire the managing agent, common charges paid by the Condominium will increase.

10. Contingency (\$5,000)

The contingency, which is approximately twelve percent (12%) of the budget, provides a fund for possible expenses not included in the projected budget or possible increases in one or more categories of operating expense beyond the projected amounts. There can be no assurance that such fund will be sufficient to pay for major capital repairs or replacement items, which may be needed within the first five years of condominium operation. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owners. In the event of any material change in the budget, this Offering Plan will be amended. This projection is based upon the experience of the budget expert in the management of similar buildings.

The contingency fund is not a reserve fund for capital. Note that reserve funds are used for major capital repairs and replacements.

11. Services and Supplies are budgeted as \$2,000.00. In the opinion of Paul Halvatzis, of Amorelli Realty, this amount is reasonable and adequate for the budget. This includes telephone service and cleaning supplies.

12. Elevator: \$6,000, based on contract with Utek Liftcore Elevator dated October 13, 2016 for one year commencing January 1, 2020.

IN THE OPINION OF THE BUDGET EXPERT, Paul Halvatzis of Amorelli Realty, Inc. (SET FORTH IN THE SECTION TITLED "*CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET*," IN PART II OF THIS OFFERING PLAN), THE PROJECTED RECEIPTS APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JANUARY 15, 2020.

SPONSOR HAS RESERVED THE RIGHT TO ENTER INTO SERVICE, MAINTENANCE, EMPLOYMENT, CONCESSIONAIRE AND OTHER AGREEMENTS THAT WILL BE BINDING ON THE BOARD OF MANAGERS ON COMMENCEMENT OF CONDOMINIUM OPERATION. HOWEVER, SPONSOR MAY NOT ENTER INTO ANY BINDING SERVICE OR MAINTENANCE CONTRACT THAT WILL MATERIALLY INCREASE THE FIRST YEAR'S ESTIMATED COMMON CHARGES.

SCHEDULE B-1
Projected Budget for Individual Energy Costs.
From January 15, 2020 to January 14, 2021.

The average yearly charge for electricity for a Unit has been estimated by Kun Ho Lee as follows, based on the rate in effect on May 31, 2018. This projection includes sales taxes and a 10% inflation factor.

The energy costs estimated for individual units are summarized below:

Unit	Monthly Gas	Yearly Gas	Monthly Electric	Yearly Electric
1A	\$95	\$1140	\$101	\$1,212
1B	\$146	\$1,752	\$174	\$2,088
2A	\$114	\$1,368	\$128	\$1,536
2B	\$113	\$1,356	\$125	\$1,500
3A	\$114	\$1,368	\$128	\$1,536
3B	\$113	\$1,356	\$125	\$1,500
4A	\$133	\$1,596	\$157	\$1,884
4B	\$132	\$1,584	\$155	\$1,860

**COMPLIANCE WITH
REAL PROPERTY LAW 339 (i)(1)(iv).**

The basis for projecting the share of expenses attributable to each unit is as authorized by Real Property Law Section 339(i)(1)(iv). The common element and share of expenses are based on floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit.

The common charges payable by each unit owner are sufficient to cover the expenses attributable to such units.

SEE ATTACHED LETTER

THOMAS E. BERINATO
Attorney At Law
123-40 83rd Avenue
Suite #1D
Kew Gardens, New York 11415
Tel.: (718) 575-3400
Tberinato@verizon.net

January 17, 2019

Real Estate Financing Bureau
New York State Department of Law
28 Liberty Street
New York, NY 10005

RE: The 27-21 27th Street Condominium
27-21 27th Street
Long Island City, NY

Dear Sir/Madam:

I have been in the real estate business and been involved with all classes of real property for over 30 years. I am a New York State Licensed Attorney. During that time I have formed numerous condominiums, and represented condominiums in litigation as well as regulatory and enforcement matters.

The method used for assigning percentage of common interest to each condominium unit is provided in Section 339-i of the New York Real Property Law.

Section 339-i(1)(iv) states, in part, that each unit's appurtenant common interest shall be based "upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit". For the 27-21 27th Street Condominium, there are no "additional factors" that differentiate units or increase or decrease their common interest.

In my opinion, this method was properly used in determining percentage of common interest for the subject condominium.



THOMAS E. BERINATO

TEB/mqn

CHANGES IN PRICES OR UNITS

1. Changes in Prices:

Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without prior notice and without the consent of any Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. As set forth in the Notes to Schedule A, offering prices are negotiable and subject to change. The offering prices set forth in Schedule A must be changed by a duly filed amendment to this Offering Plan when the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. Sponsor may, however, sell one or more Units to a Purchaser at prices lower than those set forth in Schedule A without filing an amendment to this Offering Plan. As a result of the negotiability of offering prices and the right to change them, certain Purchasers may pay or may have paid more or less than other Purchasers under this Offering Plan for similar Units. However, no change in price will affect the percentage of Common Interest allocated to a Unit.

2. Changes in Units:

Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, before the recording of the Declaration, without prior notice and without the consent of any Board, Unit Owner or mortgagee, to (i) change the layout of, or number of rooms in, any Unsold Unit, (ii) change the size and/or number of Units or Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Units or Unsold Units including those resulting from such subdivision or otherwise) into one or more Units, altering any boundary walls between one or more Units or Unsold Units or otherwise and (iii) if appropriate, reapportion among the Units or unsold Units affected by any such change, their Common Interests. Notwithstanding the foregoing, unless the Purchaser consents thereto or unless such change will not alter the Common Interest of such Unit, no such change will be made with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default provided, however, that all such changes to Units which are made shall be made only upon terms and conditions acceptable to Sponsor, in its sole discretion.

No changes will be made in the size or number of Units, and/or their respective percentage of Common Interest and no material change will be made in the size and quality of common elements, except by amendment to the plan, and when applicable, to the Declaration.

Unless an affected purchaser consents, no material change will be made in the size, layout or percentage of common interest if a Purchase Agreement has been executed and delivered to the Sponsor for that unit.

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 the Common Elements. If there is a material amendment to the Offering Plan that adversely affects the purchasers, the Sponsor must grant purchasers a right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date when an amendment to the Offering Plan disclosing such material change is presented to exercise the right of rescission. The Sponsor must return any deposit or down payment to purchasers who rescind.

There is a rebuttable presumption that an area that is diminished by 5% or less is not material.

Before changing the size or number of Units, Sponsor or its designee or such owner or lessee of an Unsold Unit shall comply with all laws, ordinances, and regulations of all governmental authorities having jurisdiction and shall first obtain the approval of all authorities whose approval is required by law.

INTERIM LEASES

The Sponsor may, if it chooses, rent units that are vacant before the closing. No units may be rented before five years from the date of the first unit closing.

Any uncured default under the purchase agreement would constitute a default under the lease. Any uncured default under the lease would constitute a default under the purchase agreement.

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.

If the interim lessee has to vacate the unit after a default under the purchase agreement or rescission of the purchase agreement by the lessee, he must do so within thirty (30) days and at the same time as the down payment is refunded.

The risk of loss is upon such interim lessee for the losses (such as purchasers personal property) not covered by the condominium's (or Sponsor's casualty insurance if the loss occurs prior to the first closing) insurance. Sponsor assumes the risk of loss for the unit whether or not the purchaser has taken possession of the unit.

Smoking is not permitted anywhere in the building (except inside units) including common areas. Smoking is permitted inside units. The smoking policy is intended to be the same as the policies set forth in the Smoke Free Air Act. NYC Administrative Code § 17-505. ("SFAA"). SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working)

A copy of the interim lease is included in Part II of the Offering Plan.

PROCEDURE TO PURCHASE:

1. Purchase Agreement; Down Payment:

A Person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the Person is other than a natural person, shall be required to execute a contract to purchase (Purchase Agreement), in the form contained in Part II, and return it to the Sponsor, together with a check in the amount of ten (10%) percent of the purchase price (Down Payment), drawn to the order of SACCO & FILLAS, ESCROW ACCOUNT, 27-21 27th Street CONDOMINIUM. All checks delivered in payment of the Down Payment shall be subject to collection and if any check is returned for insufficient funds or any other reason, Sponsor shall have the right, but not the obligation, to cancel the Purchase Agreement. Within fifteen (15) days of receiving three copies of a Purchase Agreement, executed by Purchaser, together with the required Down Payment, Sponsor must either accept the Purchase Agreement by returning to Purchaser a fully executed copy of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the Down Payment tendered. If Sponsor takes no action within said fifteen (15) day period, the Purchase Agreement shall be deemed null and void and Sponsor shall return the Down Payment to Purchaser.

The purchaser is required to sign a Power of Attorney to the Board of Managers of the Condominium, at the time of closing and deliver a copy of same to the Sponsor within two (2) business days. The Power of Attorney grants to the Board of Managers the right to (a). acquire on behalf of all unit owners, any unit whose owner desires to sell or abandon same; and (b). make certain amendments to the By-Laws, Declaration or Rules when such amendment is authorized by the Declaration or By-Laws. The Sponsor will not deliver a deed to any unit unless accompanied by a Power of Attorney in the form shown in part II of the Offering Plan.

The Sponsor must comply with Section 71-a(3) of the New York State Lien Law, which requires that the initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depository where the funds have been placed within ten business days after such deposit has been made.

Section 71-a(3) of the Lien Law further provides that, instead of making such a deposit, the recipient may post a bond. However, the Sponsor will not be seeking to post a bond in connection with deposits received pursuant to purchase agreements received under this offering plan.

Sponsor expects the first closing of a unit to occur on or about January 15, 2020. If such date is delayed more than 12 months or more, purchasers will be offered rescission.

Purchasers should note that even if the first closing occurs on or before January 14, 2021 (or such other date projected as the date of commencement of the operation at the time the purchase agreement was entered into) or within the twelve month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a TCO has not been issued for such units or for the floor on which such units are located. In such case, provided that Sponsor is diligently pursuing completion of construction and the issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the Plan, Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before January 14, 2021 -12 months after the projected date for the first closing, affected purchasers will be afforded the right of rescission.

2. **The Escrow Agent:**

Sacco & Fillas, with an address at 31-19 Newtown Avenue, Astoria, NY 11102, telephone number (718) 743-3440, shall serve as escrow agent ("Escrow Agent") for Sponsors and Purchaser. Escrow Agent has designated the following attorney to serve as signatory: Elias Fillas or Tonino Sacco. The designated signatory is admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatory on the account are the Sponsors, Selling Agents, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent has established the escrow account at JP Morgan Chase Bank, located in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Sacco & Fillas, Escrow Account for 27-21 27th Street Condominium ("Escrow Account"). Each purchaser will have a segregated sub-account. The Escrow Account is federally insured by the FDIC at the maximum amount of \$250,000 per deposit. Any deposit in a sub-account in excess of \$250,000 will not be insured. If purchasers have accounts at the same bank as sponsor's account that holds escrowed funds, purchaser funds at the escrow bank factor into the \$250,000 insurance limit.

All Deposits received from Purchaser shall be in the form of checks, money orders or wire transfers, (no cash accepted), and shall be made payable to or endorsed by the Purchaser to the order of Thomas E. Berinato, as Escrow Agent.

Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

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

The Purchase Agreement:

The Purchase Agreement is included in Part II of the Plan. The relevant escrow trust fund provisions are included in the Escrow Rider to the Purchase Agreement, which must be executed by the Escrow Agent.

The deposit shall be 10% of the Offering Price. The Sponsor in its discretion may decrease the down payment, but not to less than 2%.

The Sponsor will not be applying for alternative security such as a surety bond or letter of credit.

Sponsor may not unilaterally change a Purchase Agreement.

So long as the layout and dimensions of a Unit conform substantially to the Floor Plans, a Purchaser who is a party to a binding Purchase Agreement will not be excused from purchasing a Unit and will not have any claim therefore against the Sponsor by virtue of any insubstantial change or discrepancy in the Floor Plans. 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 the Common Elements. If there is a material amendment to the Offering Plan that adversely affects the purchasers, the Sponsor must grant purchasers a right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date when an amendment to the Offering Plan disclosing such material change is presented to exercise the right of rescission. The Sponsor must return any deposit or down payment to purchasers who rescind.

For purpose of determining whether decrease is material, it will be presumed that decrease of 5% is not material unless a Unit Purchaser can demonstrate that the decrease of less than 5% has a material adverse impact on the Unit Purchaser's use and enjoyment of the Unit.

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 10 business days after the escrow agreement is signed by all necessary parties, Escrow Agent shall provide written notice to Purchaser and Sponsors, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit. Any Deposits made for upgrades, extras, or custom work shall be initially deposited into the Escrow Account, and released in accordance to the terms of the Purchase Agreement.

The Escrow Agent is obligated to send notice to the Purchaser once the Deposit is placed in the Escrow Account. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the Purchase Agreement within ninety (90) days after tender of the Purchase Agreement and Deposit to Escrow Agent. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, 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 Escrow 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. Any money for upgrades, extras or custom work will be returned if the plan is abandoned.

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

If the Escrow Agent is not directed to release the Deposit pursuant to paragraphs (a) through (c) above, and the Escrow Agent receives a request by either party to release the Deposit, then the Escrow Agent must give both the Purchaser and Sponsor prior written notice

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

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

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

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

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

Waiver Void:

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

3. Right of Rescission:

Purchasers will be afforded not fewer than seven days after delivery of an executed Purchase Agreement together with the required deposit to rescind the Purchase Agreement and have the deposit refunded promptly. The purchaser must either personally deliver a notice of rescission to the Sponsor or Selling Agent within the seven day period, or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing postmarked within the seven day period.

Purchasers will be given an opportunity to review the Offering Plan and any filed amendments for at least three business (3) days prior to their executing a Purchase Agreement.

4. **Mortgage Financing Contingency:**

There is a financing contingency permitted under this Offering Plan. Thus, the failure to obtain financing will relieve Purchaser from his or her obligations under the Purchase Agreement, provided that the Purchaser complies with the terms and conditions of the Mortgage Financing Addendum. The purchaser must sign the Financing Contingency Rider in order to qualify for financing.

Under the terms of the Mortgage Financing Addendum, the Purchaser, shall have 45 days from a fully executed contract received by Purchaser's Attorney to obtain mortgage financing. The maximum allowable financing is 75% of the purchase price for a term of at least 15 (fifteen) years. The Purchaser shall (i) make prompt application within ten business days to an Institutional Lender for such mortgage loan; (ii) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required; (iii) pay all fees, points and charges required in connection with such application and loan; (iv) pursue such application with diligence; (v) cooperate in good faith with such Institutional Lender to obtain such commitment and (vi) promptly give Notice to Seller of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or any other commitment accepted by Purchaser) and shall furnish Seller with a copy thereof promptly after receipt thereof. If such commitment is not issued on or before the Commitment Date, then, unless Purchaser has accepted a commitment that does not comply with the requirement set forth above, Purchaser may cancel the purchase agreement by giving Notice to Seller within 5 business days after the Commitment Date, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this contract, except that the Down payment shall be promptly refunded to Purchaser within five business days. The purchaser assumes the risk that a commitment may expire or that the terms of the commitment may change prior to actual closing. If the purchaser's obligations are contingent upon obtaining a financing commitment, and the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, Sponsor shall grant to such purchaser a right of rescission and a reasonable period of time within, which to exercise the right. For purposes of this contract, the term "Institutional Lender" shall mean any bank, savings bank, private banker, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of this State, the United States or any other state; foreign banking corporation licensed by the Superintendent of Banks of New York or the Comptroller of the Currency to transact business in New York State; insurance company duly organized or licensed to do business in New York State; mortgage banker licensed pursuant to Article 12-D of the Banking Law; and any instrumentality created by the United States or any state with the power to make mortgage loans.

If Sponsor agrees to provide short term purchase money financing to individual purchasers in the future, Sponsor must amend the plan to disclose the terms of the commitment and other relevant information pursuant to 13 NYCRR Section 20.3 (P).

Under New York law, when a mortgage commitment is not fulfilled through no

fault of purchaser, performance is excused. 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.

5. Notice of Closing of Title; Balance of Purchase Price:

Purchasers shall be given not less than thirty (30) days' written notice of the closing of title to their Units. This notice period may be waived by Purchasers by contacting Sponsor's counsel by email or writing and stating their desire to close in less than 30 days. . The notice shall provide that the balance of the purchase price shall be due at closing of title. The notice to Purchaser shall also specify when Common Charges will be due and payable. AT THE CLOSING OF TITLE, THE BALANCE OF THE CASH PORTION OF THE PURCHASE PRICE MUST BE PAID BY (i) UNENDORSED CERTIFIED CHECK OF PURCHASER PAYABLE TO THE ORDER OF KST2 Properties LLC, or (ii) UNENDORSED TELLER'S OR CASHIER'S CHECK PAYABLE TO THE ORDER OF KST2 Properties LLC. FROM A BANK OR TRUST COMPANY, WHICH IS A MEMBER OF THE NEW YORK CLEARING HOUSE ASSOCIATION OR ANY SUCCESSOR ORGANIZATION. FUNDS DRAWN ON OUT OF STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED FOR PAYMENT OF THE PURCHASE PRICE FOR A UNIT.

6. Default:

If Purchaser defaults under the Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he or she has thirty days from the mailing date such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. Time is of the essence, means that if Purchaser fails to make such payment when required under the Purchase Agreement, or fails to perform any of Purchaser's other obligations under the Purchase Agreement, than Sponsor may give notice to Purchaser of Sponsor's intention to cancel the Purchase Agreement thirty (30) days thereafter if notice is by mail. If Purchaser fails to cure such default by the expiration of said period, Sponsor may, at its option, cancel the Purchase Agreement by notice of cancellation to Purchaser. In the event of such a cancellation, the Sponsor may retain as liquidated damages all payments, including the Down Payment plus accrued interest if any, made under the Purchase Agreement.

7. Entry Prior to Closing:

Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect such Unit within three (3) days prior to Closing but shall be obligated to make an inspection appointment with Sponsor. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the Closing.

Any work required to be done by Sponsor shall be set forth in an "Inspection Statement. (See *Definitions* section of this Offering Plan).

8. Risk of Loss:

The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the Closing for the particular Unit. In the event of any loss or casualty to a unit prior to closing, the Sponsor shall notify the Purchaser within 30 days of such loss of whether or not Sponsor intends to repair the damage. If Sponsor elects not to repair such damage, Sponsor shall return the down payment and any sums paid for special orders with the notification that it will not repair the damage. If Sponsor elects to repair such damage it shall do so as promptly as responsible and restore the unit to the condition in which it was prior to the casualty. If a purchaser's commitment expires during the repair period and the Purchaser, after a good faith effort is not able to extend the commitment, the Purchaser will be offered a right of rescission. A person who takes possession prior to closing assumes the risk of losses not covered by insurance. Accordingly, any Purchaser, or one claiming by or through Purchaser who takes possession of a Unit prior to the Closing should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Purchase Agreement. Sponsor will however subject to the rights of the Condominium make available to the purchaser any insurance proceeds. PURCHASER SHOULD CONSULT WITH AN ATTORNEY AND/OR AN INSURANCE AGENT AS TO PURCHASER'S INSURANCE NEEDS.

9. Notices:

Any notice or other communication required or permitted to be given under the Purchase Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth day, after mailing.

10. Miscellaneous:

Any conflict between this Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan. In no event may the Purchase Agreement contain, or be modified to contain, any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his or her right to thirty (30) days' written notice prior to the Closing. In no event may the Purchase Agreement contain, or be modified to contain, any provision abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law.

The Escrow Agent's name and address is Sacco & Fillas, 31-19 Newtown Avenue, Astoria, NY 11102.

The Bank holding the escrow shall be JP Morgan Chase Bank, 81-35 Lefferts Blvd., Kew Gardens, N.Y. 11415 A separate sub account will be established for each buyer. The prevailing interest rate for such account is 0.01%

Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided.

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

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

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

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 the Escrow Agreement or the performance or non-performance of Escrow Agent duties under the Escrow Agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of 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.

Escrow Agent is discharged of Escrow Agent's obligations to the sponsor upon payment of the deposit and interest in accordance with these regulations of the New York State Department of Law. Escrow Agent shall have the right to represent the sponsor in any lawsuit. Sponsor receives no compensation from JP Morgan Chase Bank in connection with the holding of the escrowed funds. Sponsor will compensate the Escrow Agent for his services in connection with the preparation and consummation of the Offering Plan and such compensation includes services as an Escrow Agent.

ASSIGNMENT OF PURCHASE AGREEMENTS

No Purchase Agreement is assignable without Sponsor's prior written consent.

EFFECTIVE DATE OF PLAN:

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor's declaring the Offering Plan effective pursuant to the requirements and terms of the Offering Plan. The Closing of any Unit may not occur until after the Offering Plan has been declared effective, an amendment has been filed substantiating same, and the Condominium Declaration and By-Laws have been duly recorded.

The Offering Plan may be declared effective when Purchase Agreements have been executed by bona fide purchasers and accepted by Sponsor for the sale of two (2) Residential Units, which represents fifteen (15%) percent of the Units offered under the Offering Plan. The Offering Plan will not be declared effective based on Purchase Agreements (i). Signed by purchasers who have been granted a right of rescission which has not expired or been waived; (ii). Counting any purchaser who is the Sponsor, the Selling Agent, Managing Agent of a relative of the Sponsor, the Selling Agent or Managing Agent, or a relative of any principal of the Sponsor, Selling Agent or Managing Agent, by blood, marriage, or a business associate, employee or shareholder or limited partner of the Sponsor, Selling Agent or Managing Agent, except that a purchaser other than the Sponsor a principal of the Sponsor may be included if the Sponsor submitted proof satisfactory to the Department of Law establishing that the purchase is bona fide; (iii). If the purchaser was not afforded the protections required by 13 NYCRR 20.3(0)(15) which requires that Purchasers shall have not fewer than three (3) business days to review the offering plan and all filed amendments prior to executing a purchase agreement.

The Offering Plan must be declared effective when Purchase Agreements have been executed and accepted by Sponsor for the sale of seven (7) Residential Units, which represents eighty (80%) percent of the Units offered under the Offering Plan.

Sponsor also reserves the right to abandon the Offering Plan by duly filed amendment and by filing a notice of abandonment on Form RS-3 at any time prior to the First Unit Closing for any 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 for substantial damage or destruction of any portion of the Building by fire or other casualty which cannot be repaired for less than \$50,000.00 (as estimated by the insurance adjuster retained by Sponsor), or the taking of any material portion of the Property by condemnation or eminent domain. The Sponsor shall convey each unit free and clear of all liens, encumbrances and title exceptions at closing. There are no financial limits on Sponsor's liability to perform any obligation imposed by any applicable statute or regulation.

The Offering Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers. Within five (5) business days after such notice is given, an amendment to the Offering Plan will be submitted by Sponsor stating that the Offering Plan

has been declared effective. Upon request of the Department of Law, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Purchase Agreements, within five (5) business days after the request is received.

At Sponsor's sole option, the Offering Plan may be abandoned at any time before it is declared effective and before the Sponsor has accepted purchase agreements for eighty (80%) per cent of the Residential Units. If the Offering Plan is to be abandoned after filing and the Sponsor has accepted purchase agreements, the Sponsor shall promptly submit an amendment to the Office of the Attorney General. If payments under Purchase Agreements have been received, the amount of such funds and the manner and time when these funds will be returned to Purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding purchase agreements the Sponsor need not submit an amendment but shall submit a form RS-3 to the 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) (1) of this Part.

If all purchase agreements are either rescinded or terminated prior to the date of first unit closing, regardless of whether the condominium declaration has been recorded, sponsor must re-declare the offering plan effective.

Sponsor cannot abandon the plan for any judgments or liens against the property which are known to the Sponsor or any of its principals on the date of the Plan or resulting from the acts of the Sponsor or any of its principals.

TERMS OF SALE:

The Units, when sold by Sponsor, will be sold in fee simple to Purchasers who may be individuals, a limited liability company, a partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective sales prices set forth in Schedule A (as such prices may be changed by Sponsor), and will include the respective undivided interests in the Common Elements. Sponsor also reserves the right to make bulk sales of Units and to sell any Unit to a Purchaser who does not intend to occupy the same but intends to lease the Unit subject to the right of first refusal in favor of the Board of Managers. A Bulk sale is considered a sale of two (2) or more Units. The Sponsor shall deed the units to Purchasers by Bargain & Sale Deed with covenant against grantor's acts. A form of the Unit Deed is annexed hereto in Part II of this Offering Plan. Sponsor will convey good and marketable title to the Unit, and its appurtenant interests, by bargain and sale deed with covenants against grantor's acts, containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than:

- (a) Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the contemplated structures and use;
- (b) The terms, burden, conditions, covenants, restrictions, easements and provisions of the Declaration, By-Laws and Rules and Regulations thereunder, maps and Floor Plans of the Condominium, as same may be amended from time to time to be recorded or filed in the Register's Office and the Power of Attorney from Purchaser to the Board of Managers and Sponsor. The title company will affirmatively insure that none of same affect the use of the premises as a condominium.;
- (c) Any state of facts that an accurate survey would show, provided they do not make title unmarketable;
- (d) Any additional state of facts, which an updated and accurate survey would show, provided such survey does not render title unmarketable;
- (e) Easements in favor of adjoining units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of the construction of the Building, or construction of the Units, or which may have come or may, come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or

destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements;

(f) Revocability of the right to maintain street vaults and other areas, if any, under sidewalks;

(g) Encroachments of stoops, areas, basement steps or doors, trim, copings, retaining walls, bay windows, sidewalks, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any;

(h) Any easement or right of use created in favor of a cable TV company or any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

(i) Service, maintenance and license agreements and union contracts and agreements, if any;

(j) Party walls and party wall agreements, if any;

(k) The lien of any unpaid real estate tax, and the lien of any water charges or sewer rents generally (which shall be apportioned at closing);

(l) The lien of any unpaid assessment payable in installments (other than assessments levied by the Board of Managers) except that Sponsor shall pay all such assessments due prior to the Closing Date and the Purchaser shall pay all assessments due from and after such date (however, the then current installment shall be apportioned at Closing Date);

(m) Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning, resolution or requirement of the Department of Building, 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; provided, however, that such declaration or other instrument does not adversely affect the right of the Unit Owner to utilize the Unit as herein described;

(n) Violations noted or issued of record after the First Unit Closing by any governmental authority. Any violation, which Sponsor is obligated to remove, will not be an objection to closing, provided Sponsor agrees in writing with the Board of Managers to remove same of record;

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

(p) Variations between record lines and fences, hedges, retaining walls and tax lots;

(q) Standard printed exceptions contained in the form of title insurance policy then issued by Stewart Title Insurance Company, Chatham Abstract, (or such other New York Board of Title Underwriters member title insurance company insuring the Purchaser's title to the Unit).

(r) The Declaration, By-Laws and Floor Plans of The 27-21 27th Street Condominium.

The closing will take place only concurrently with the issuance of a temporary or permanent Certificate of Occupancy.

The declaration, 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 and other applicable state and local laws in the Office of the New York City Department of Finance, for the County of Kings, State of New York. It could be done either in Long Island City Municipal Building or in New York City Department of Finance in New York county which is located at 66 John Street, New York, N.Y.

A Purchaser is free to select her/his own title insurance company.

Sponsor shall convey each unit free and clear of all liens, encumbrances, and title exceptions at closing. The Sponsor is building the project with financing provided by Cathay Bank.

If existing mortgages or construction loans will not be satisfied at or prior to the closing of the first unit, each mortgagee will consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; will subordinate the lien of its mortgage to the declaration of condominium; and will release its lien on the condominium unit being conveyed and its interest in the common elements. The existence of mortgages, liens and encumbrances, other than the Permitted Encumbrances, shall not be objections to title, provided that properly executed instruments, in form for recording, necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments made for the cost of recording or filing such

instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

If damage from a casualty or other cause (except damage resulting from the buyer's willful act or neglect) occurs before closing of a purchaser's unit, the Sponsor must repair the damage within a reasonable time, the Purchaser may rescind the Purchase Agreement and receive a refund of the down payment with interest.

All personal property located within the unit on the date the Purchase Agreement is signed or located within the common elements on the date the declaration is filed, that is owned by the Sponsor is included in the conveyance, unless specifically excluded in the Offering Plan.

**UNIT CLOSING
COSTS AND ADJUSTMENTS:**

1. General Costs and Adjustments:

In addition to Purchaser's own legal fees, Purchaser will pay the following closing costs, expenses and adjustments at the closing of title to Purchaser's Unit. SUCH COSTS AND CATEGORIES ARE ONLY ESTIMATES AND ARE SUBJECT TO CHANGE WITHOUT NOTICE.

(a) If Purchaser elects to obtain fee title insurance, Purchaser may order such insurance from a title insurance company licensed in the State Of New York. Purchaser shall pay the title insurance company the cost of fee title insurance, which will vary depending on the Purchase Price of the Unit. As of the date of this Offering Plan, fee title insurance rates as quoted by Federal Standard Abstract, are as follows: \$371 for the first \$35,000 of the purchase price, plus \$6.16 for each additional \$1,000 or fraction thereof up to \$50,000 and \$5.02 for each additional \$1,000 or fraction thereof of the purchase price, up to \$100,000; plus \$4.03 for each additional \$1,000 or fraction thereof of the purchase price; up to \$500,000; plus \$3.68 for each additional \$1,000 of purchase price up to \$1,000,000; plus \$3.38 for each additional \$1,000 of purchase price or fraction thereof up to \$5,000,000.

(b) The combined recording fee of approximately \$350.00 for recording the Unit Deed and Power of Attorney;

(c) Real estate taxes apportioned from midnight preceding the date of the Closing through the end of the tax payment period within which the Closing occurs, which shall be either a quarter of a year or one-half of a year, provided, however, that Sponsor shall be reimbursed at closing by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in Closing by Purchaser.

(d) New York State Transfer Tax and New York City Real Property Transfer Tax computed as follows:

$$\text{Tax Liability} = \frac{\text{tax rate}}{100\% - \text{tax rate}} \times \text{Purchase Price}$$

The New York State Transfer Tax is computed at the rate of \$2.00 per each \$500.00 of consideration or any fraction thereof that is \$100 or more and New York City Real Property Transfer Tax at the rate of 1% of the purchase price of the Unit, if the price is under \$500,000 and 1.425% of the price if the price is above or equal to \$500,000 plus a recording fee of \$75.00 for the New York City Real Property Tax Form.

It is customary in real estate transactions, other than condominium transactions, for seller to pay these transfer taxes. In condominium transactions, either the seller or the purchaser can pay these transfer taxes. The obligation is assumed by a purchaser if such

obligation is imposed on the purchaser by the terms of the sale. Under the Offering Plan and the Purchase Agreement, Purchasers are required to pay these taxes as a closing cost.

Payment of transfer tax by the Purchaser is an additional consideration on which tax is based.

(e) Contribution to working capital fund in the amount of \$1,000.00 per Unit payable to the Board of Managers.

(f) If a mortgage loan is obtained from a lending institution, Purchaser will be responsible for the following costs, if any:

(i) Legal fees of the lending institution's attorney;

(ii) Mortgagee insurance policy costs for a mortgage title insurance policy naming lending institution as the insured, if applicable. Mortgagee insurance rates as quoted by Federal Standard Abstract as of the date of this Offering Plan are as follows: thirty (30%) per cent of the amount paid for the owners title insurance provided lenders coverage is procured simultaneous with owners coverage; if not purchased together with owners coverage, then \$318 for the first \$35,000 of the purchase price, plus \$5.13 for each additional \$1,000 or fraction thereof up to \$50,000 and \$4.19 for each additional \$1,000 or fraction thereof of the purchase price, up to \$100,000; plus \$3.36 for each additional \$1,000 or fraction thereof of the purchase price, up to \$500,000; plus \$3.06 for each additional \$1,000 of purchase price up to \$1,000,000; plus \$2.82 for each additional \$1,000 of purchase price or fraction thereof up to \$5,000,000;

(iii) Mortgage recording tax of 1.8% percent of the amount of the mortgage actually executed by Purchaser if that mortgage is under \$500,000 and 2.8% of the amount of the mortgage if the mortgage is equal to or exceeds \$500,000. Purchaser is required to pay the above specified rate of tax less \$25 and the lending institution is required to pay $\frac{1}{4}$ of the tax. Purchaser will reimburse Sponsor at closing a sum equal to the entire mortgage tax credit pursuant to Section 339-ee(2) of the New York Real Property Law;

(iv) Recording fee of approximately \$200.00 for recording the mortgage;

(v) Commitment fee, origination fee, Appraisal fee, application fee, credit fee, and other closing costs and expenses, if any, charged by the lending institution;

(g) Attorney's fees; and

(h) \$800 fee to the Sponsor's attorney, for preparation of closing documents and attendance at closing, with an additional \$150 fee if the closing occurs outside of such attorney's office. The purchaser will be responsible additional fee only if the closing is held outside of sponsor attorney's office to accommodate the purchaser's request.

- (i) mortgage tax credit equivalent to Sponsor equal to the amount that the Purchaser's mortgage tax, if any, is reduced by virtue of the credit Purchaser receives by virtue of the Sponsor's construction loan.
- (j). Mansion Tax if the purchase price exceeds \$1,000,000.

Purchaser will pay to the Board of Managers, in advance, the monthly Common Charges allocable to Purchaser's Unit. Common Charges assessed during the month in which title closes shall be adjusted with Sponsor as of midnight preceding the Closing, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was obligated to pay to the Board of Managers as a result of any unauthorized delay in Closing by Purchaser. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown on Schedule A.

Purchaser will not pay water and sewer charges. Water and sewer charges will be adjusted between Sponsor and the Board of Managers as of midnight preceding the First Unit Closing.

If the Units have not been separately assessed for real estate tax purposes prior to the first Unit Closing, Sponsor shall determine the amount equal to the unpaid real estate taxes which will be levied against the Units for the period of six months from the first Unit Closing and shall place such amount in escrow with the Federal Standard Abstract for such six-month period or until the Units are separately assessed, whichever is shorter. The Title Company will pay the real estate taxes from this escrow account as they become due and payable. Sponsor is entitled to reimbursement from Unit Owners (i) on the basis of Common Interest attributable to their respective interests if no separate Unit apportionment has occurred or (ii) on the basis of actual apportionment if tax lots have been apportioned. When the Units are separately assessed, any balance, with interest, in the escrow account will be returned to the Board. At Unit closings each Purchaser shall adjust real estate taxes with Sponsor from midnight preceding the date of the Unit closing through the end of the tax payment period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. When the tax lots are apportioned, if a subsequent adjustment needs to be made to correct any discrepancy between adjustment on the basis of the percentage of Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

The amount of the real estate taxes will be included in each post-closing amendment to the Plan.

The following is a numerical example of the closing costs for a typical unit. Assuming that the purchaser pays \$892,500 for Unit 2A and obtains a \$650,000 mortgage from a lender, he or she would pay the following:

Buyer's Title Insurance	\$ 3,470.00
Lender's Title Insurance	782.00
Recording Deed & Power of Attorney	350.00
City Transfer Tax	12,718.13
State Transfer Tax	3,570.00
RPT Filing Fee	125.00
Working Capital Contribution	1,000.00
Legal fee to Lender's Attorney	850.00
Mortgage Tax	12,482.50
Origination fee	1,000.00
Credit Report Fee	50.00
Appraisal Fee	250.00
Application Fee	250.00
Fee to Sponsor's Attorney	850.00
Fee to Buyer's Attorney	800.00
Recording Mortgage	+ 200.00
Total	\$38,747.63

The 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 geographic targeting order ("GTO") (2) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island; (3) the total purchase price is in the amount of \$300,000 or more; (4) such purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency. As long as the GTO remains in effect, its reporting requirements apply to all residential real property closings meeting the above criteria and occurring on or after November 17, 2018

RIGHTS & OBLIGATION OF SPONSOR

It is the sponsor's obligation 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.

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.

Sponsor may not disclaim or limit Sponsor's liability or that of its principals for failure to perform any obligation imposed by applicable statute or regulation. Any conflict between disclaimers in this section and the sponsor's obligation to construct the premises in accordance with all applicable codes, filed plans and specifications shall be resolved in favor of the latter.

Sponsor is not reserving the right to rent rather than sell units.

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. The means by which it will fund its financial obligations to the condominium are from the sale of units and the personal funds of the Sponsor and its principals.

No bond or other security has been posted to secure sponsor's obligations. See section titled "Special Risks".

The sponsor is obligated to completely repair any damage from a casualty or other cause that occurs before the closing of a purchaser's unit, even if that damage occurs while the purchaser is in possession pursuant to an interim lease prior to closing. If such damage is not repaired the Purchaser may rescind the Purchase agreement and receive a refund of the down payment.

The sponsor shall procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B.

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

The Sponsor is using construction financing . There is a minimum release price equal to 90% of appraised value or sales price, whichever is greater, There are no restrictions on renting. There is no minimum number or percentage of units which must be under contract

before the plan can be declared effective. There are no limits or requirements imposed by The Berkshire Bank for Sponsor to rent rather than sell under specified market conditions.

The sponsor must build and complete the condominium in accordance with the building plans and specifications identified in the plan. The sponsor has the right to substitute equipment or materials and make modifications of layout or design, provided however, that sponsor may not: (i) substitute equipment or materials of lesser quality or design; or (ii) change the size, location of buildings or units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners and contract vendees consent in writing to such change.

Prior to closing the first unit, Sponsor must obtain a permanent certificate of occupancy for the property or, alternatively, obtain a temporary or partial certificate of occupancy for the unit or the building in which the unit to be closed is located. The Sponsor and its principals must obtain a permanent certificate of occupancy for the property within two years after closing the first unit. Sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a final certificate of occupancy ("FCO") covering the entire building but with only a temporary certificate of occupancy ("TCO") and sometimes with several successive temporary certificates of occupancy. Certificates of Occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both FCOs and TCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property conforms substantially to the DOB approved plans and specifications, and to the requirements of all applicable laws, rules, and regulations for the uses and occupancies specified in the TCO. No change of use or occupancy shall be made unless a new certificate of occupancy is issued. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than an FCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extended each TCO received prior to the expiration thereof, and ultimately for obtaining a FCO covering the entire building within two years of the issuance of the first TCO. However, Sponsor and its principals make no representation or guarantee that DOB will issue the FCO within such two year period. Notwithstanding the foregoing, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE FCO FOR THE ENTIRE BUILDING, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE FCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Unit owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing sponsor in these undertakings.

Buyers are advised to visit the DOB website for further recommendations when purchasing a unit in a building that does not have a FCO. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

If the first closing takes place prior to the issuance of a permanent certificate of occupancy for the property;

Sponsor is required to maintain all deposits and funds in the special escrow account required by GBL Section 352-e(2-b) unless the sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively, sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Office of the Attorney General. Sponsor is required to maintain all deposits and funds in the special escrow account required by GBL Section 352-e(2-b) unless the sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete all alterations and improvements to the public portions and common areas of the building. In such case the sum exceeding the amount so certified by the sponsor's engineer or architect may be released from the special escrow account. The amount retained in escrow pending the delivery of a permanent certificate of occupancy and the architect's certification certifying such amounts will be included in each post-closing amendment to the Plan until the permanent certificate of occupancy is obtained.

The sponsor agrees to warrant the materials or workmanship of each unit (and limited common elements) or common elements. The Housing Merchant Implied Warranty Law (GBL Article 36-B) applies to this offering. A copy of the Housing Merchant Implied Warranty Law is included in Part II of the Plan. The Sponsor's obligation, regardless of any limitations in the warranty or in this offering plan, cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications and locally accepted building practices for items which are not covered by codes.

At or prior to the closing of the unit, sponsor must assign any manufacturer's warranties with respect to equipment and appliances installed in the unit to the unit owner and assign any warranties with respect to equipment and appliances installed in the common elements to the board of managers.

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

The sponsor agrees to deliver a set of "as-built" plans to the board of managers.

No bond or other security other than those required by this Part has been furnished to secure sponsor's obligations including sponsor's obligations to complete construction of the condominium. See section titled "Special Risks". The use of any alternate security will be previously disclosed in an amendment to the Plan.

Sponsor has a right of access to complete construction of the condominium or repair damage to the condominium at reasonable times and upon prior reasonable notice to affected unit owners. If Sponsor causes any damage to a unit while performing construction, Sponsor must fully repair that damage. Sponsor's access may interfere with the unit owner's use. Any access shall occur between the hours of 9:00 a.m. to 5:00 p.m., Monday to Friday, and the unit owner must receive at least 72 hours prior written notice.

The Sponsor intends to sell all units. The Sponsor will endeavor in good faith to sell all units offered to sell in a reasonably timely manner. ALL UNITS MUST BE OCCUPIED BY THE UNIT PURCHASERS FOR THE FIRST FIVE YEARS AFTER CLOSING.

Sponsor will use its best efforts to obtain real estate tax exemption and abatement benefits pursuant to Section 421-a of the New York Real Property Tax Law. Sponsor, at its sole cost and expense, will file an application for, and make all additional necessary filings to obtain, such benefits. All documentation supplied or caused to be supplied by Sponsor is true and complete. Purchaser shall be obligated to execute any document or instrument required in connection with obtaining such tax abatement and exemption benefits.

In order for the property to qualify for the exemption, certain conditions must be met: (a). the aggregate assessed value cannot exceed \$520,000; and (b). all unit purchasers must agree in writing to reside in their units for the first 5 years. If either condition cannot be fulfilled, Sponsor shall advise the unit purchasers by an amendment to the plan that the sponsor cannot obtain the 421-a exemption.

Sponsor shall keep copies of the Offering Plan exhibits and documents referred to in the Offering Plan on file at Sponsor's offices for six (6) years from the date the Declaration is recorded.

In accordance with Section 339-p of the New York Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans filed with the recording of the Declaration are a substantially accurate copy of portions of the plans of the Buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of the Buildings.

CONTROL BY SPONSOR:

Sponsor and Sponsor-designees shall not control the Board of Managers upon the earlier of (i) two (2) years from the date of the First Unit Closing, or (ii) whenever the unsold units constitute less than fifty (50%) percent of the Common Interest. (See Special Risks Section and By-Laws.)

Sponsor is not reserving the right to rent rather than sell units.

Until the first annual meeting of the Condominium, the Board of Managers shall consist of three persons designated by Sponsor. Accordingly, until such first annual meeting, Sponsor will have voting control of the Board of Managers and will thus control maintenance, facilities and services to be provided, as well as determine the Common Charges to be paid by the Unit Owners.

At the first annual meeting of the Condominium, all Unit Owners, including Sponsor and Sponsor-designees, shall elect a new Board of Managers. Sponsor may have voting control of the Board of Managers if Sponsor and Sponsor-designees as Unit Owners of Unsold Units are able to cast sufficient votes to establish such control. Notwithstanding the foregoing Sponsor and Sponsor-designees shall not control the Board of Managers upon the earlier of (i) two (2) years from the date of the First Unit Closing, or (ii) whenever the unsold units constitute less than fifty (50%) percent of the Common Interest. A meeting shall be held to elect a new board unrelated to the Sponsor within 30 days after expiration of the control period. After two year period or the period when more than 50% of the units are sold, a majority of the board of managers must be owner occupants, or members of an owner occupant's household, who are unrelated to the Sponsor or its principals. (See Special Risks Section and By-Laws.)

In addition to the right of Sponsor and Sponsor-designees to vote the Common Interests attributable to Units owned by them, Sponsor and Sponsor-designees shall, so long as the Common Interests attributable to such Units shall constitute, in the aggregate, fifteen percent (15%) or more of the Common Interests of all Units, have the right to designate one member of the Board of Managers unless such right is waived in writing.

Until Sponsor and Sponsor-designees convey title to all Units but in no event later than five (5) years after the date of the First Unit Closing, Sponsor or Sponsor-designees have the right to veto any action of the Board of Managers to: (i) make any addition, alteration, improvement or change in or to the Common Elements, any Unit or the Building; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; (iii) hire or replace any employee (in addition to the employees referred to in the Offering Plan); (iv) enter into, modify or terminate prior to the end of the term any management, service or maintenance contract; (v) borrow money on behalf of the Condominium; (vi) add to, delete from, modify or amend the Declaration, By-Laws, or Rules and Regulations of the Condominium, or; (vii) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor may not exercise veto

power over expenses described in Schedule "B" or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. The Sponsor may not exercise veto power over expenses described in Schedule "B." Sponsor's power to veto other expenses ends 5 years after the closing of the first unit, or whenever the unsold units are less than 25% of the common interest, whichever is sooner. See Section titled "*Control by Sponsor.*"

BOARD OF MANAGERS

Principal provisions of the By-Laws are summarized below. Purchasers should refer to the full By-Laws, a copy of which is set forth in Part II of this Offering Plan.

1. Condominium Board of Managers:

The affairs of the Condominium shall be governed by the Board of Managers consisting of three members, which shall consist initially of three members designated by Sponsor. After the end of an initial sponsor control period, the majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to sponsor and its principals. The first annual meeting of the Unit Owners shall be held approximately one year after the First Unit Closing, at which meeting the incumbent three member Board of Managers shall resign and a successor five-member Board of Managers shall be elected by the Unit Owners and designated by Sponsor or its designees, as provided Section 4.1 of the By-Laws. Thereafter, annual meetings of the Unit Owners shall be held on or about the last Tuesday in June of each year, unless such date shall occur on a legal holiday, in which event the meeting will be held on or about the succeeding business day. At each such subsequent meeting, the Unit Owners shall elect or the Sponsor or its designee shall designate, as the case may be, successors to the members of the Board of Managers. (See the subsection below entitled Meetings and Votes of Unit Owners for further discussion).

Members of the Board of Managers shall be either (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. However, the member designated by Sponsor and Sponsor-designees need not be a Unit Owner or interested party in a Unit Owner, as specified in the first sentence of this paragraph. Other than members designated by Sponsor and Sponsor-designees, no member shall continue to serve on the Board of Managers after he or she ceases to be a Unit Owner or an interested party in a Unit Owner, as specified in the first sentence of this paragraph.

Members of the Board of Managers are subject to removal, without cause, by vote of Unit Owners owning a majority of the Common Interest attending a meeting at which a quorum is present. Members of the Board designated by the Sponsor and Sponsor-designees may be removed by Unit Owners for cause. However, members designated by Sponsor and Sponsor-designees may be removed, without cause, only by Sponsor and Sponsor-designees, who alone will have the right to designate a replacement.

The number of members of the Board of Managers may not be increased without the consent of Sponsor and Sponsor-designees as owners of Unsold Units for so long as there remain two unsold Units.

All members of the Board of Managers shall serve without compensation.

Until Sponsor and Sponsor-designees no longer own Units with a sufficient percentage of the Common Interest attributable to such Units to elect two members of the Board of Managers, Sponsor will, through its control of the Board of Managers (by electing two members and designating one), have control of the maintenance and operation of the Condominium, including the Common Expenses described in Schedule B, capital repairs, and expenses required to comply with applicable laws or regulations. Notwithstanding the foregoing Sponsor and Sponsor-designees shall not control the Board of Managers upon the earlier of (i) two (2) years from the date of the First Unit Closing, or (ii) whenever units are sold that in the aggregate include fifty (50%) percent or more of the common Interest. A meeting shall be held to elect a new board unrelated to the Sponsor within 30 days after expiration of the control period.

Sponsor may exercise veto power over expenses (other than those described below) for a period ending not more than five years after the closing of the first unit or whenever the unsold units constitute less than 25 percent of the common interest, whichever is sooner. However, this veto power shall not be used to veto expenses described in schedule B, or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

2. Powers and Duties of the Board of Managers:

The Board of Managers shall have the powers and duties necessary for administration of the affairs of the Condominium (subject to the limitations set forth in the By-Laws including Sponsor's right to veto certain actions of the Board of Managers), including, without limitation, the following: (a) operation, care upkeep and maintenance of the Common Elements; (b) determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property; (c) collection of the Common Charges from the Unit Owners, including charges for gas and water used or consumed in the Unit, (d) employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements; (e) adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property (subject to the right of the Unit Owners to overrule the Board of Managers as provided in the By-Laws); (f) maintaining bank accounts on behalf of the Condominium and designating the signatories required therefor; (g) purchasing, leasing, or otherwise acquiring in the name of the Board of Managers or its designees, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers; (h) purchasing Units at foreclosure or other judicial sales, in the name of the Board of Managers or its designee, on behalf of all Unit Owners; (i) selling, leasing, mortgaging, or otherwise dealing with (but not voting the votes appurtenant to) Units acquired by, and subleasing Units leased by, the Board of Managers or its designees on behalf of all Unit Owners; (j) obtaining and renewing insurance for the Property, including the Units; (k) making repairs, additions and improvements to, or alterations of, the Property and repairing and restoring the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings; (l) enforcing obligations of the Unit Owners; (m) levying fines against the Unit Owners, excluding Sponsor and any Sponsor-designee and any partner of any entity affiliated directly or indirectly with Sponsor (so long as such Persons own one

or more Units), for violations of the Rules and Regulations (no fine may exceed \$25.00 for any one violation, but, for each day a violation continues after notice, it shall be considered a separate violation); (n) borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the Common Elements (provided, however, that (i) the consent of at least 66-2/3% of all Unit Owners, both in number and in Common Interests, shall be required for the borrowing of any sum in excess of \$125,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the Unit Owner); and (o) adjusting and settling insurance claims and executing and delivering releases in connection therewith.

The Board of Managers shall be responsible for maintaining and repairing the Common Elements as set forth in the Declaration and in the By-Laws, regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other occupant.

Until the first meeting of the Unit Owners, the Board of Managers shall consist of the following three persons, who shall hold the offices listed next to their names:

Janos Kanta	President
Ken Tolley	Vice President
Thomas E. Berinato	Secretary

Mr. Kanta and Mr. Tolley are principals of the Sponsor. Mr. Berinato is the attorney for the Sponsor.

Unit owners' voting rights are computed in accordance with the percentage of common interest of their unit(s). This means that the owner of a unit with greater percentage of common elements has a greater say in the affairs of the condominium than a unit owner whose percentage is smaller.

In Order to amend the condominium's by-laws and to change the declaration of condominium after it has been filed 66 2/3% vote of unit owners must approve the amendment of change.

3. Officers of the Condominium:

The officers of the Condominium shall consist of the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers at its annual meeting. The Board of Managers may also appoint additional officers. All officers shall serve without compensation from the Condominium. None of the officers need be Unit Owners until the five member Board of Managers is elected at the first meeting of the Unit Owners. Thereafter, both the President and the Vice President must be either (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. However, the member designated by Sponsor and Sponsor-designees need not be a Unit Owner or interested party in a Unit Owner. Any

officer may be removed, without cause, by vote of a majority of the Board of Managers at a meeting called for such purpose.

The President shall be the chief executive officer of the Condominium and preside over meetings of the Unit Owners and Board of Managers. The Vice President shall take the place of the President when necessary and perform such other duties as may be imposed on him or her by the Board of Managers or the President. The Secretary shall keep minutes of all meetings of the Unit Owners and the Board of Managers and shall have charge of the books and papers of the Condominium. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping financial records and books of account. All agreements, contracts, deeds, leases, checks and other instruments of the Board of Managers shall be signed by any two officers or by such lesser number of officers or by such other person or persons as may be designated from time to time by the Board of Managers.

4. Amendments to the Condominium Documents:

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 66-2/3% of all Unit Owners, both in number and in common Interests. However, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to be effective in any respect against Sponsor or any Sponsor-designee, or any Affiliate, and Unsold Unit or any mortgage, pledge, lien or security agreement covering such Units without the prior written consent of Sponsor, Sponsor-designees any partner of any entity affiliated directly or indirectly with Sponsor. In addition, the provisions of the Declaration and By-Laws relating to (i) the use of Units or each Unit's Common Interest may not be amended without the prior written consent of every Unit Owner affected by such amendment or (ii) the rights, benefits and exemptions of the Unsold Units may not be amended without the prior written consent of Sponsor.

5. Special Meetings.

By-Laws Section 4.2 provides a procedure for Special Meetings of Unit Owners. The President of the Condominium shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board of Managers or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than fifty (50%) percent of the Common Interests of all Unit Owners. 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.

6. Indemnification & Liability of Managers.

By Laws Section 2.20 deals with Liability of Managers. Said Section provides that the 3 members of the Board of Managers shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Board of Managers shall

be liable thereto for his or her own bad faith or willful misconduct. In connection therewith, any member of the Board of Managers designated as such by Sponsor and Sponsor-designees shall not be deemed either to be in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Board of Managers and Sponsor or its agents, provided that any compensation paid, or to be paid, to Sponsor or its agents in connection with any such contract or transaction is disclosed in the Plan or an amendment thereto or in at competitive rates for comparable goods sold or services rendered in Queens County. Every contract and other document executed, by or on behalf of the Board of Managers, 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 of the By-Laws, respectively) that the same is made or executed by or on behalf of the Board of Managers, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Board of Managers 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 of the By-Laws. Neither the Board of Managers nor any member thereof shall be liable for:

(i) any failure or interruption of any services to be obtained by, or on behalf of, the Board of Managers or to be paid for as a Common Element; or

(ii) any injury, loss, or death 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.

The Unit Owners shall severally indemnify and hold each of the Board of Managers 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 Board of Managers, 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. The liability of each Unit Owner on account of such indemnification will be limited to the extent specified in Section 4.12 of the By-Laws.

**RIGHTS AND OBLIGATIONS OF
UNIT OWNERS AND THE BOARD OF MANAGERS:**

1. **Sale or Lease of Units:**

For the first five years, unit owners must reside in the units, they purchase. Thereafter, the following rules apply:

Each Unit Owner may sell or lease his or her Unit to either a Family Member or an Affiliate, without presenting to the Board of Managers an opportunity to purchase or lease such Unit except that if such sale or lease is to a non-Family Member or non-Affiliate, then such Unit owner must first give the Board of Managers, acting on behalf of all other Unit Owners, an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered by the proposed Purchaser or lessee as more specifically provided for in the By-laws of the Condominium. The Board will notify the Unit Owner of its intention to exercise its right of first refusal with respect to the sale and/or leasing of a Unit within 15 business days of receipt of a notice from the Unit Owner of the intended sale or lease. The Board of Managers must thereafter exercise such right of first refusal within an additional 30 days. The Board may obtain mortgage financing or use Common Charges for the acquisition and maintenance of a Unit by the Board of Managers on behalf of all Unit Owners. If common charges or mortgage financing were used in the exercise of a right of first refusal, the exercise thereof could result in a substantial increase in common charges to cover the cost of acquiring the unit. The Unit so owned or leased shall be used only for residential purposes. A Unit purchased or leased by the Board of Managers may be sold or leased in any name that the Board deems in the best interest of the Condominium. The proceeds of the disposition of any such Unit sold shall be the property of the Condominium and shall be deposited into the reserve fund and used solely for Capital improvements. The Board of Managers may not discriminate against any person based on race, creed, color, national origin, sex, age, disability or other grounds prohibited by Law. The Board of Managers shall have the right to require a Unit Owner to pay a fee to the Board of Managers and/or the Managing Agent to cover reasonable legal and other expenses of the Board of Managers and the Managing Agent in connection with the sale or lease of a Unit. Any lease for a Unit shall be substantially in the form prepared by the Real Estate Board of New York, Inc., for apartment leases except as otherwise provided in the By-laws and except for such changes thereto as are recommended by counsel to the Board of Managers.

Notwithstanding any provision to the contrary in this Offering Plan, Sponsor, any Sponsor-designee, any partner of any entity affiliated directly or indirectly with Sponsor, or any mortgages acquiring title to a Unit in a foreclosure shall have the right to sell or lease any Unit owned by them without any requirement that (i) the same be offered to the Board of Managers prior to such sale or lease or (ii) a charge or fee be paid to the Board of Managers or any other entity or person.

Sponsor, Sponsor-designees and partners of any entity affiliated directly or indirectly with Sponsor hereby reserve the right to lease a Unit to the Purchaser of said Unit prior to the conveyance of title. In addition, Sponsor, Sponsor-designees and partners of any entity

affiliated directly or indirectly with Sponsor reserve the right to lease Units to non-purchasers without limitation as to the rental to be charged therefor except such rents shall not be in violation of any applicable law. No amount paid as either rent or security under the lease will be credited towards the purchase price. If in fact, prior to the sale of a Unit, such Unit is leased to any person or entity who does not purchase, the initial Purchaser thereof will purchase a Unit that has been previously occupied. In all such cases, at closing such Units will be delivered free and clear of any tenancy or occupancy unless Purchaser expressly approves such tenancy. Notwithstanding the foregoing, if, prior to the sale of a Unit, Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor leases such Unit to any person or entity claiming by, through or under the Purchaser of such Unit, than such Purchaser shall be obligated to purchase such Unit subject to such lease, or the occupancy, of such Unit.

No lease shall be entered into by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor having a commencement date, which is prior to the issuance of a certificate of occupancy, which permits lawful use of the leased Unit.

Every sale or lease of a Unit must include a similar sale or lease of such Unit's undivided interest in the Common Elements.

A Unit Owner may, without restriction, make a gift of his or her Unit to anyone during his or her lifetime, devise such Unit by will or pass same by intestacy.

2. Mortgage of Units:

Each Unit Owner is free to mortgage his or her Unit subject to the restrictions contained in the By-laws. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearages for any unpaid Common Charges and Special Assessments owed by such Unit owner and discharge any liens therefor.

3. Common Charges and Assessments:

Each Unit Owner shall have an obligation to pay Common Charges and Special Assessments when due. Except as set forth in the Notes to Schedule B and as otherwise provided in the By-Laws, Common Charges for each Unit shall be determined by multiplying that Unit's percentage of Common Interest by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B herein, together with the expense of any special repairs, major capital improvements or other expenses deemed by the Board of Managers to be a part of the Common Expenses and to be paid as Common Charges, all in accordance with the By-Laws of the Condominium. Common Charges will be established by the Board of Managers on an annual basis, at least, and be paid in equal monthly installments, due and payable on the first day of each month. The Board of Managers, in accordance with the By-Laws, impose Special Assessments as it deems necessary, to meet unanticipated or extraordinary expenses, including, but not limited to, expenses incurred for major capital improvements. The Special Assessments to be paid by

each Unit Owner shall also be determined in accordance with the Unit Owner's percentage of Common Interest, as determined by the Board of Managers. Notwithstanding, the foregoing, however the Board of Managers shall not reduce the Common Charges payable during any year occurring within a period when Sponsor or Sponsor-designees own Units having more than 50% of the Common Interest of all Units solely as a result of either reducing the number of employees of the Condominium below the numbered employees for the Condominium on the date of recording the Declaration or reducing or eliminating any service or reducing the insurance coverage below that provided for the Buildings on such date, except with the concurrence of a majority of the members of the Board of Managers elected by Unit Owners other than Sponsor or Sponsor-designees.

Under the provisions of Section 339-z of the New York Real Property Law, the Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof at the Register's Office, Queens County and until all sums secured thereby with the interest thereon shall have been fully paid or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien.

Upon the failure of a Unit Owner to pay Common Charges for the Unit within fifteen (15) days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against such Unit Owner's Unit for the unpaid Common Charges, as set forth above. Failure of the Board of Managers to place such a lien shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time. The failure to make prompt payment of Common Charges or Special Assessments when due shall subject the Unit Owner to a late charge as described in the By-Law. Notwithstanding the foregoing, the Sponsor, any Sponsor-designee and any partner of any entity affiliated directly or indirectly with Sponsor shall not be subject to the late charge. The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than 30 days in arrears of Common Charges while it is in control of the Board of Managers.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his or her Unit subsequent to a sale, transfer, or other conveyance made by him or her of his or her Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit owners shall be required to comply with the Declaration, By-Laws, Rules and Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such

sanctions include, without limitation, placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

4. Repairs:

Except as otherwise provided in the Declaration or By-Law, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary in or to any Unit and all portions of both, 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 and their frames and saddles (except painting the exterior side of a Unit entrance doors and door bucks), all interior staircases exposed plumbing, gas and heating fixtures and equipment. Lighting and electrical fixtures (but excluding any Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owners cost and expense.

All painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, to the Common Elements, as defined in the Declaration, and the painting of the exterior side of Unit entrance doors and door backs shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, excepting to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. All painting, decorating, maintenance, repair and replacements in or to the Limited Common Elements, as defined in the Declaration, will be performed by (a) the Board of Managers if it involves structural or extraordinary maintenance, repairs or replacements (including, without limitation, repairs that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) subject to the restrictions set forth in the By-Laws and the Rules and Regulations by the Unit Owner having direct and exclusive access thereto, at such Unit Owner's sole cost and expense, if it involves nonstructural, ordinary maintenance, repairs or replacements or it is as a result of the Unit Owner's acts or omissions.

Each Unit Owner shall have an easement in common with the other Unit owners to use, maintain, repair, alter and replace all pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements located in other Units and serving his or her Unit. In addition, each Unit Owner shall have an easement for the continuance of any encroachment by the Unit on any adjoining Unit or on any Common Element, now existing or which may come into existence hereafter as a result of the settling or shifting of Buildings or as a result of repair or restoration of Buildings or a Unit after damage by fire or other casualty, or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by or with the consent of the Board of Managers or the Sponsor to the Common Elements so that any such encroachment may remain undisturbed so long as Buildings stand. As more fully set forth in the By-laws and the Rules and Regulations, the Sponsor, the Board of Managers and the Managing Agent, and all designees thereof, shall have a right of access to each Unit to inspect and make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

5. Additions, Alterations and Improvements:

A non-structural alteration to a Unit or its appurtenant Limited Common Element that does not adversely affect the structure of the Buildings or the value of other Units or the Common Elements, that cannot be sighted from the Common Elements or another Unit or from a public street, and that complies with all laws, may be made by any unit owner without consent of the Board of Managers. No Unit Owner (other than Sponsor or Sponsor-designees) may make a structural alteration in a Unit without the prior written approval of the Board of Managers. Upon such approval, the Unit Owner in question shall agree that (i) such structural alteration shall be at the Unit Owner's sole cost and expense, (ii) all work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, (iii) all work shall be done by reputable contractors with adequate liability, property damage and workmen's compensation insurance (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), (iv) the Unit Owner shall procure and maintain during the course of such work such other insurance as the Board of Managers may reasonably prescribe, and (v) any additions shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such additions, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration. Such Unit Owner shall further agree to indemnify and hold harmless the Board of Managers and its officers, the Managing Agent, Sponsor, and all other Unit Owners from and against any liability cost and cost arising from such work. Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration. Such expenses may include, without limitation, any fees of an attorney and/or fees of an architect consulted by the Board of Managers in connection with the request by a Unit Owner for approval of a structural alteration.

Sponsor, the Board of Managers and/or the Managing Agent shall have a permanent right of access to any Unit for the purpose of inspecting or making any repairs or replacements to any of the Common Elements contained in such Unit or elsewhere in the Buildings, remedying any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws.

Balconies and any other Limited Common Elements shall be maintained and repaired and shall be kept free and clear of snow, ice and any other accumulations, by the Unit Owner at Unit Owner's own cost and expense.

6. Insurance:

The insurance policies obtained by the Board of Managers shall provide that Sponsor, each Unit Owner, each Permitted Mortgage of a Unit and Managing Agent shall be named insured, as their interests may appear. These policies shall provide All Risk Building Insurance, Comprehensive General Liability and Board of Managers and Officers Liability. The specific amounts of coverage are noted in the section titled "Notes to Schedule B."

The insurance does not include any coverage for (i) losses due to fire, theft or other casualty to the personal property of a Unit Owner contained within the Unit or a Limited Common Element, (ii) the cost of living elsewhere if a Unit is greatly damaged, or (iii) liability coverage for a Unit Owner for occurrences within a Unit or a Limited Common Element. The insurance does include coverage for losses due to fire or other casualty to the walls, ceilings and floors in the Units (other than those walls, ceilings and floors erected by a Unit Owner other than Sponsor), as finished by Sponsor in accordance with the section titled "*Description of Property and Specifications*" and all kitchen and bathroom fixtures and appliances installed therein by Sponsor as described in said section, but the insurance will only pay to restore, the walls, ceilings and floors as finished by the Sponsor under the Offering Plan and will not pay for any improvements, alterations or decorations thereto made by the Unit Owner or for any kitchen or bathroom fixtures and appliances installed by the Unit Owner. UNIT OWNERS SHOULD CONSULT THEIR INSURANCE AGENT AS TO THE AVAILABILITY OF INSURANCE TO COVER ALL OF THE AFOREMENTIONED AND ANY ADDITIONAL COVERAGE, WHICH MIGHT BE RECOMMENDED.

In the event that any portion of the Property is damaged or destroyed by fire or other casualty (hereinafter referred to as a Casualty Loss) the net insurance proceeds payable under insurance policies maintained by the Board of Managers pursuant to the terms of Section 5.4 of the By-laws by reason of Such Casualty Loss shall be payable either to the Board of Managers, if the same shall be \$250,000.00 or less in the aggregate, or the Insurance Trustee, if the same shall exceed \$250,000.00 or less in the aggregate. 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 Section 5.5 of the By-Laws.

The Board of Managers shall arrange for the prompt repair or restoration (hereinafter referred to as the Work) of: the portions of the Property (including all Units, the exposed face of all walls, ceilings and floors in the units, other than those walls ceilings and floors erected by a Unit owner other than the Sponsor) as finished by Sponsor in accordance with the Section of the Offering Plan entitled Description of Property and Specifications and all bathroom and kitchen fixtures installed therein by Sponsor, but not including appliances or any furniture, fixtures, 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. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclosed 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, its appurtenant Limited Common Elements, 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 of the By-Laws, to supervise any reconstruction of his or her Unit and/or such Limited Common Elements.

In the event that Work shall be performed the Board of Managers 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 Board of Managers 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. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excesses 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 said Unit Owner's share of such 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 By-Laws and for any projected deficiency in the amount of the Trust Funds available to the Board of Managers 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).

7. Use of Units:

The Residential Units may be used only for private residential use, except that a Unit Owner may use a portion of his or her Unit for any home occupation use including as a professional office, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering the Buildings and such Unit or applicable zoning laws and ordinances, building codes or other rules and regulations of governmental authorities having jurisdiction. No illuminated or other sign may be used in connection with the aforementioned use without the prior written consent of the Board of Managers.

Smoking is not permitted anywhere in the building (except inside units) including common areas. Smoking is permitted inside units. The smoking policy is intended to be the same as the policies set forth in the Smoke Free Air Act. NYC Administrative Code § 17-505. ("SFAA"). SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working)

Except as set forth above, no industry, business, trade, occupation or otherwise, designated for profit, altruism, or otherwise shall be conducted, maintained or permitted in any part of the Units or Common Elements. No for sale, For Rent or For Lease signs or other similar window displays or advertising shall be maintained or permitted in any Unit or

adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. Notwithstanding the foregoing, Sponsor and Sponsor-designees reserve the right to place For Sale, For Rent or For Lease or similar signs on any unoccupied Units or Unsold Units.

Notwithstanding the foregoing Sponsor and Sponsor-designees, reserve the right to place For Sale, For Rent or For Lease or similar signs on the Buildings. Additionally, Sponsor and Sponsor-designees reserve the right to maintain and staff one or more vacant and Unsold Units as a sales office and/or model Unit.

No Unit Owner shall be allowed to put his or her name on any entry to the Buildings or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

Except as provided in this section, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Unit or adjoining Common Element, nor shall anything be projected out of any window of the Buildings.

No exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Unit Owner in any manner or without prior written consent of the Board of Managers or except as provided in the By-laws.

No personal articles (including but not limited to, garbage cans, bicycles, motorcycles, bottles or mats) and no furniture, artwork, equipment or doormats shall be placed or stored in entrances, hallways, stairways, as other Common Elements, except as approved by the Board of Managers. No Unit Owner shall change or alter in any way the design, layout or color scheme or furnishings in entrances, hallways, stairways or other Common Elements.

Decorating and furnishing of Limited Common Elements by the Owner of the Unit which has the exclusive right to use and occupancy of such Limited Common Elements shall not require the consent of the Board of Managers if it does not adversely affect the structure of the Buildings or the value of other Units or Common Elements and complies with all laws. No fences or permanent barriers are allowed in the patios. Where there are fences, the Unit Owners of the Limited Common Elements shall not install lockable gates, in order to permit the superintendent to go through the patios to maintain the Common Elements. Any laundry lines installed in the patios shall not interfere with exit passage at the gates. The patios may not be used to store commercial goods or animals. Loud music, noise or bright lights, which may disturb neighbors, are prohibited. The existing trees shall not be removed. There shall be no painting of the exterior walls adjacent to the Limited Common Elements except as approved by the Board of Managers. The fire escapes and the area below the drop ladder of the fire escapes shall be kept clear of objects at all times.

The Board of Managers or the Managing Agent shall retain a passkey to each Unit. No Unit Owner shall change any lock on any door leading into his or her Unit without the prior written consent of the Board of Managers. As a condition to obtaining such consent,

the Unit Owner must provide the Board of Managers with a key to such changed lock for their use. If a Unit Owner fails to provide the Board of Managers with all keys necessary to gain entrance to such Unit Owner's Unit promptly after such Unit Owner moves into his or her Unit, then Sponsor shall be automatically released from any obligation it may have for correcting defects in or making repairs to such Unit. If Sponsor or the Board of Managers must gain access to a Unit for emergency purposes and a Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Unit Owner shall be liable and responsible for any damage to the Common Elements or such Unit caused by Sponsor or the Board of Managers in gaining access to such Unit. Furthermore, 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 therein is necessary or permissible under the Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers or the 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).

No Unit owner shall make or permit any noise or objectionable odor that will disturb or annoy the occupants in the Buildings or do or permit anything to be done therein which will interfere with the rights, comfort, or convenience of other Unit Owners.

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit any dirt or other substances to be swept or thrown therefrom, or from the doors, windows or fire escapes of a Unit.

Unit Owners shall be permitted to keep animals as pets provided that any pet does not interfere with the use and enjoyment of the Buildings by the other Unit Owners. In no event shall dogs or cats be permitted in any of the public portions of the Buildings unless carried or on a leash. Each Unit Owner who keeps an animal in the Buildings shall indemnify the Board of Managers and held it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having an animal in the Property. Notwithstanding the foregoing, the Board of Managers shall have the right to limit the number of animals kept by a Unit Owner or to prohibit any animal, which the Board of Managers determines to be interfering with the use and enjoyment of the Buildings by the other Unit Owners.

Unit Owners shall not be permitted to hang radio or television aerials from the exterior of the Buildings without written approval of the Board of Managers.

No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers. Whichever shall have the obligation to maintain or repair such portion of the Property.

Sponsor or its designee, the agents of the Board of Managers, and any authorized contractor or workman may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of this Offering Plan, the Declaration, By-Laws, or Rules and Regulations of the Condominium.

All damage to the Buildings or Common Elements caused by moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

Any damage to the Buildings or equipment caused by Unit Owners, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

Complaints regarding the management of the Property or regarding the actions of other Units Owners shall be made in writing to the Board of Managers. Only the Board of Managers shall have the right to enforce the Rules and Regulations of the Condominium; the Board of Managers may in its, absolute discretion waive any violation.

The Rules and Regulations of the Condominium are set forth in Part II of this Offering Plan as an addendum to the By-Laws. The Rules and Regulations govern the use of the Units and Limited Common Elements and may be amended from time to time by the Board of Managers.

8. Miscellaneous:

In certain instances, Sponsor, Sponsor-designees, and any partner of any entity affiliated directly or indirectly with Sponsor, are not required to obtain the approval of the Board of Managers or meet requirements imposed upon other Unit Owners. These instances include, without limitation, the right to use a Unit as a model and display For Sale, For rent, For Lease or similar signs, the right to transfer or lease a Unit without offering the Board of Managers the right of first refusal or paying a fee therefor, the right to alter a Unit without obtaining the prior consent of the Board of Managers (but only in accordance with the other terms of this Offering Plan), and the right to amend the Declaration without a vote for the sole purpose of filing the Floor Plans as required by Section 339-p of the Real Property Law. FOR AS LONG AS SPONSOR OR ANY SPONSOR-DESIGNEE OR ANY PARTNER OF ANY ENTITY AFFILIATED DIRECTLY OR INDIRECTLY WITH SPONSOR OWNS TITLE TO ONE OR MORE UNITS, THE RULES AND REGULATIONS OF THE CONDOMINIUM THE BY-LAWS OR DECLARATION MAY NOT BE AMENDED IN A MANNER WHICH WOULD, IN THE SOLE DISCRETION OF SPONSOR OR ANY SPONSOR-DESIGNEE, OR ANY PARTNER OF ANY ENTITY AFFILIATED DIRECTLY OR INDIRECTLY WITH SPONSOR IN ANY WAY, IMPOSE ANY RESTRICTION UPON THE SALE OF ANY UNIT, OR IMPOSE A RIGHT OF FIRST REFUSAL OR PAYING A FEE THEREFOR UNLESS SPONSOR OR EACH SPONSOR-DESIGNEE OR EACH PARTNER OF ANY ENTITY AFFILIATED DIRECTLY OR INDIRECTLY WITH SPONSOR GIVES ITS PRIOR WRITTEN CONSENT TO SUCH AMENDMENT.

To cover administrative expenses, any Unit Owner who fails to pay any sum, charge or assessment within ten days of its due date shall be liable for any expenses incurred by the Condominium in collecting such sum, charge or assessment, including, but not limited to, reasonable attorneys' fees, plus a late charge of 5% and interest at the rate of 2% per month.

The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

If a non-occupying owner, including the Sponsor, rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with Real Property Law Section 339-kk, all rental payments from the tenant shall be directly payable to the condominium association. If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim. Payment by a rental tenant to the condominium association 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.

REAL ESTATE TAXES & TAX STATUS OF CONDOMINIUM

After the units are separately assessed, each unit will be taxed as a separate tax lot for real estate tax purposes, and that unit owner will not be responsible for the payment of, nor will the unit be subjected to, a lien arising from the nonpayment of taxes on other units.

If units have not been separately assessed for real estate tax purposes, prior to the closing of title to the first unit, unit owners will make payment of taxes to the Board of Managers. The amount to be paid by each unit owner shall be calculated by multiplying the percentage of the common elements by the real estate tax bill for the period in question. This money shall be paid to the Title Company not later than 15 days before the taxes are due to the Taxing Authority. The Title Company will establish a separate escrow account for this purpose.

Real estate taxes for the units will be assessed by the New York City Department of Finance. The current tax rate for residential condominiums is 12.719%. The assessed valuation for the building for the first fiscal year of operation (2019/2020) is estimated to be \$499,000. The current assessment valuation for 2019/2020 is \$127,953 however is very likely that this will be adjusted upward when the certificate of occupancy is issued.

It has been estimated that the recorded assessed value for the building when completed will be \$499,000. At current rates, the tax levy for the entire building calculates to \$64,000. Estimated tax obligations assuming 421-a benefits and no 421-a benefits are set forth in Schedule A. Carrying charges for Units will be higher if 421-a tax benefits are not granted.

The basis for calculating the amount payable by unit owners in the first year of condominium operation as set forth in schedule "A". The tax assessment for each unit may be allocated on a basis that differs from the allocation of common interests. The figures given in Schedule A are only estimates.

Sponsor intends to apply for an "Affordable New York" 421-a Exemption.

Unit purchasers must occupy the units they purchase for the first five years as a condition to the granting of a 421-a partial tax exemption. Sponsor is not reserving the right to rent units. The new 421-a program was enacted April 17, 2017. In order for the building to qualify the following conditions must be met: (i) The property must be located outside of Manhattan; (ii) The property must contain no more than 35 units; (iii) All units must have an aggregate assessed valuation not to exceed \$65,000 upon the first assessment following completion of construction; (iv) Each purchaser must agree in writing to maintain the unit as his/her primary residence for at least the first five years of ownership; (v) The building must have signed purchase agreements for all units in the building; (vi) An application for the benefits may only be submitted after completion of the building (confer with the adviser and clarify whether "completion" means PCO or TCO for the entire building) and must be submitted within one year of completion of the building. In the event it is reasonably apparent that all of the pre-conditions to the issuance of the tax abatement

will not be achieved, the Sponsor will immediately submit an amendment to the plan disclosing that the tax benefits will not be obtained.

In the event 421-a benefits are granted, such benefits will begin on July 1, 2020. However, the projected start date for condominium is January 15, 2020 and there will be a gap between implementation of benefits and the commencement of ownership of units, during which time, Purchasers will be required to pay the full tax, which will be significantly higher than the tax with 421-a benefits

No tax certiorari proceedings are currently pending.

Section 5.11 of the By-Laws provides that the Board of Managers may act as an agent of each Unit Owner who has given his or her written authorization to complain or apply to the board of assessment review or the assessing agency by filing a single complaint on behalf of all such Unit Owners and to commence and prosecute a special proceeding for the review of assessments of real property as an aggrieved person. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and may charge all such Unit Owners a pro-rata share of expenses, disbursements and legal fees, for which charges the Board of Managers shall have a lien pursuant to the terms of these By-Laws.

IT IS A SPECIAL RISK THAT UNIT OWNERS MAY NOT RECEIVE 421-a BENEFITS PRIOR TO CLOSING.

THE SPONSOR DOES NOT AND CANNOT GUARANTEE THAT THE CONDOMINIUM WILL ACTUALLY RECEIVE REAL ESTATE TAX EXEMPTION BENEFITS.

In view of recent changes to federal income tax law, effective January 1, 2018, state and local taxes, including real estate taxes are deductible for federal income tax purposes up to a maximum limit of Ten Thousand Dollars (\$10,000) in the aggregate. Mortgage interest on new purchase loans is deductible up to a maximum limit of Seven Hundred Fifty Thousand Dollars (\$750,000) of debt. Prospective Purchasers are advised to consult their own tax experts regarding individual tax consequences.

OPINIONS OF COUNSEL
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KST2 Properties LLC
30-77 38th Street
Astoria, N.Y. 11103

Attention: Mr. Janos Kanta

RE: THE 27-21 27th STREET CONDOMINIUM
27-21 27th Street
Astoria, N.Y.

Dear Mr. Kanta:

I am your counsel in connection with the preparation and processing of its offering plan for the sale of the apartment units, ('units') in the building located at 27-21 27th Street, Astoria, NY ("Condominium").

In so acting, we have examined the form of the Declaration of the Condominium, the By-Laws and all exhibits thereto contained in the offering plan for the Units, and such other documents as we have deemed appropriate.

Based upon such examination, I am of the opinion that:

1. The condominium regime, when created pursuant to the Declaration of Condominium, By-Laws and other related documents, will be validly formed and the provisions of the Declaration of Condominium and By-Laws will be legal and valid and the Condominium regime will comply with the rules against perpetuities and all other laws regarding the restrictions against alienation.

I have, in rendering this part of our opinion, relied upon (a) certain municipal, departmental and information search reports issued by Federal Standard Abstract as well as the opinion of Fidelity National Title Insurance Company that a valid condominium will be formed upon recordation of the floor plans, declarations and by-laws; and (b) the description of Property, dated May 1, 2018, prepared by Chris Papa Architect.

2. In view of recent changes to federal income tax law, effective January 1, 2018, state and local taxes, including real estate taxes are deductible for federal income tax purposes up to a maximum limit of Ten Thousand Dollars (\$10,000) in the aggregate. Mortgage interest on new purchase loans is deductible up to a maximum limit of Seven Hundred Fifty Thousand Dollars (\$750,000) of debt. Subject to these limitations, each owner of a residential Unit will be entitled under present law to deduct for Federal and New York State income tax purposes the real estate taxes assessed against his Unit and paid by him and the amount paid by him on account of interest of any mortgage indebtedness covering such Unit up to the amount allowable as stated above, provided such Unit is used by the owner thereof as a principal or second home (see Rev. Rul. 64-31, 1964-1 C.B. [Part 1] 300). No opinion is rendered as to the deductibility of real estate taxes and mortgage interest with respect to Units not used by the owner as a principal or second home. The owner of a residential Unit who is a veteran of the United States Armed Forces may be entitled to a veteran's exemption covering part of the real estate taxes otherwise assessed against his Unit. N.Y. Real Property Tax Law Section 458. Prospective Purchasers are advised to consult their own tax experts regarding individual tax consequences.

Under certain circumstances assessments from Unit owners received by the Board of Managers of the Condominium will not be taxable to the Condominium for Federal income tax purposes provided that the Condominium elects special tax treatment under Section 528 of the Internal Revenue Code. To qualify under this section, (A) such organization must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the property; (B) 60% or more of the gross income of such organization for the taxable year must consist solely of amounts received as membership dues, fees, or assessments from (i) owners of residential units in the case of a condominium management association, (C) 90% or more of the expenditures of the organization for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of association property and, in the case of a timeshare association, for activities provided to or on behalf of members of the association, (D) no part of the net earnings of such organization must inure (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual. Other income, including income from the sale or leasing of Units owned by the Board of Managers of the Condominium on behalf of all Unit owners, will be taxable to the Condominium. If the Condominium does not elect to be treated under Section 528 or if it does not meet the requirements of Section 528, each Unit owner's proportionate share of all income received by the Condominium may be includable by the Unit owner as taxable income for Federal and New York State income tax purposes, or the Condominium itself may be taxed therefor.

I am of the opinion that the Condominium's income will not be taxable for Federal Income Tax purposes.

In my opinion, the condominium will be eligible for tax exempt status under IRC 528. Unit owners will be entitled to income tax deductions (or unit owners will be eligible for the real estate tax benefits described above). However, this opinion is not a guarantee; it is based

on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the sponsor, the sponsor's counsel, the board of managers of the condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the condominium to cease to meet the requirements of Section 528 of the Internal Revenue Code of 1986, as amended, or the New York State tax law, as amended, and cause the unit owners not to be entitled to income tax deductions (or which cause unit owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

Sincerely,



THOMAS E. BERINATO

TEB/mh

THOMAS E. BERINATO
Attorney At Law
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Kew Gardens, New York 11415
Tel.: (718) 575-3400
Tberinato@verizon.net

KST2 Properties LLC
30-77 38th Street
Astoria, N.Y. 11103

Attention: Mr. Janos Kanta

RE: THE 27-21 27th STREET CONDOMINIUM
27-21 27th Street
Astoria, N.Y.

Dear Mr. Kanta:

You have requested that I advise you with respect to the applicability of newly enacted "Affordable New York Program" for partial real estate tax exemption under Section 421-a (16) of the Real Property Tax Law with respect to the above-referenced building. The new 421-a property tax exemption was signed into law on April 10, 2017. There are three main categories of developments which can qualify under the revised 421-a tax abatement program:

- (a) Those properties which are rental projects of 300 units or less;
- (b) Homeownership projects which are located outside of Manhattan containing 35 or fewer units and who meet the assessed value limit;
- (c) Properties which are rental projects of 300 units or more, and are either located in designated areas called Enhanced Affordability Areas (EAA) or who maintain minimum construction wage requirements.

As your current property is not a rental project, this opinion letter shall be limited in scope to category (b) described above.

Eligibility Criteria:

Under the new Affordable New York Home Ownership Rules, condominiums and cooperatives outside of Manhattan may be eligible to receive twenty (20) year tax exemption benefits if they meet certain requirements. There is a building size requirement

for eligible Homeownership projects. According to 28 RCNY 51-01 "Building Size Requirement" means the requirement that a multiple dwelling have a minimum of six (6) units and maximum of thirty-five (35) units. In addition, no part of the building may be used as a hotel.

Another requirement is the "Post-Completion Assessment Cap Requirement". "Post-Completion Assessment Cap Requirement" means the requirement that one hundred percent (100%) of the units in a Homeownership Project must have an average assessed value at or below \$65,000.00 upon the first assessment following the Completion Date. 28 RCNY 51-01.

Another requirement is the Primary Residence Requirement. "Primary Residence Requirement" means the requirement that the owner of a dwelling unit in a Homeownership Project must for no less than five (5) years from acquisition of such unit occupy it in accordance with the criteria set forth for rental dwelling units in Section 2520.6(u) of the Rent Stabilization Code. Notwithstanding the foregoing, the minimum five year period of occupancy necessary to establish whether such unit is an owner's primary residence shall not be deemed to be interrupted by any period during which such owner temporarily relocates because he or she: (i) is engaged in military duty; (ii) is enrolled as a full-time student; (iii) is not in residence at the apartment pursuant to a court order not involving any terms or provisions of the lease/occupancy agreement, and not involving any grounds specified in the Real Property Actions and Proceedings Law; (iv) is engaged in employment requiring temporary relocation from such unit; (v) is hospitalized temporarily for medical treatment; or (vi) has other reasonable grounds that shall be determined by the Agency. 28 RCNY 51-01

The program rules also require that these criteria must be spelled out both in the Purchase Contract and also in the Offering Plan. The rules define an acceptable purchase contract as one that "contains the Building Size Requirement, the Primary Residence Requirement and the Post-Completion Assessment Cap Requirement." The program defines an eligible offering plan as one that "(i) complies with Article 23-A of the General Business Law ("Martin Act"), the Act and this chapter, and (ii) discloses the Building Size Requirement, Primary Residence Requirement and Post-Completion Assessment Cap Requirement.

The rules of the program also require the recordation of a Restrictive Declaration which means a Declaration on an approved form that: (a) has been executed by the fee owner and any ground lessee of the Eligible Multiple Dwelling; (B) has been recorded against the real property containing the Eligible Multiple Dwelling; (c) with respect to a Homeownership Project, provides the Building Size Requirement, the Post-Completion Assessment Cap Requirement and the Primary Residence Requirement; and (d) provides that such Eligible Multiple Dwelling must comply with all of the requirements for Affordable New York Housing Program Benefits during the Restriction Period. (A copy of the required Restrictive Declaration is included in Part II of the Offering Plan). 28 RCNY 51-02.

No application can be submitted until: (1) the first assessment following the Completion Date, and (2) there are executed Purchase Contracts for each unit in such Homeownership Project. 28 RCNY 51-02. The application with respect to any eligible multiple dwelling shall

be filed with the agency not later than one year after the completion date of such eligible multiple dwelling. RPTL 421-a (16) (o)(i).

Projects that qualify as Homeownership projects receive twenty years of benefits on the first \$65,000 of assessed value. RPTL 421-a(16) defines that benefit structure as follows: "Twenty year benefit" shall mean: (A) for the construction period, a one hundred percent exemption from real property taxation, other than assessments for local improvements; (B) for the first fourteen years of the restriction period, a one hundred percent exemption from real property taxation, other than assessments for local improvements, provided, however, that no exemption shall be given for any portion of a unit's assessed value that exceeds \$65,000; and (C) for the next six years of the restriction period, a twenty-five percent exemption from real property taxation, other than assessments for local improvements, provided, however, that no exemption shall be given for any portion of a unit's assessed value that exceeds \$65,000. Benefits are applied for only after completion of construction (ie. after issuance of either a full temporary certificate of occupancy or permanent certificate of occupancy for the building).

There is a non-refundable fee of \$3,000 per unit. All Purchase Agreements, the Offering Plan, and evidence of compliance with the assessment cap and restrictive declaration must accompany the application.

There are requirements about when the project must begin and when it must be completed. RPTL 421-a(16) (a) defines an eligible multiple dwelling as "a multiple dwelling or homeownership project containing six or more dwelling units created through new construction or eligible conversion for which the commencement date is after December thirty-first, two thousand fifteen (12/31/2015) and on or before June fifteenth, two thousand twenty-two (6/15/2022), and for which the completion date is on or before June fifteenth, two thousand twenty-six" (6/15/2026).

Discussion with Respect to This Project:

You have represented to me that:

1. That this building is located in Queens County, New York.
2. You commenced construction on the site of the Building based on approved New Building permit issued by the City of New York after January 1, 2016.
3. After completion of construction, the Building was classified as a multiple dwelling pursuant to the Multiple Dwelling Law.
4. The building will not be rented, and will be substantially used for dwelling purposes as a condominium building and no portion thereof shall be used as a hotel.
5. Construction of the building commenced in 2017 and construction is expected to be completed on or about August 1, 2019.
6. Upon completion, the building will consist of eight (8) residential condominium units .
7. Each unit owner will reside in their unit as their primary residence for at least 5 years.

8. The Sponsor will make application to HPD for Certificate of Eligibility for the building to indicate that the building will be used as a condominium within one year after issuance of a certificate of occupancy.
9. You will execute and record the Restrictive Declaration.
10. You will execute and deliver to HPD 8 purchase agreements containing the disclosures of the Building Size Requirement, the Primary Residence Requirement and the Post- Completion Assessment Cap Requirement.

Based solely on the above representations then it would appear that the Building, when operated as a condominium, is eligible to participate in the 421-a(16) partial tax exemption program as a condominium for a 20 year period after the completion of construction. As the property is located in Queens County, New York, it fulfills the outside of Manhattan requirement under the new 421-a rules. Further, as a condominium containing eight residential units it complies with Building Size Requirement by being under 35-unit limit.

All unit owners residing in their unit for a minimum of five years shall also fulfill the Primary Residency Requirement. The Offering Plan shall contain a description of the tax abatement program and its requirements, which in addition with your representations that you will make prompt application to HPD and file the Declaration, shall fulfill the recording requirements of the statute.

The Assessed Valuation requirement shall be described in further detail below.

Estimate of Real Estate Taxes

I have estimated taxes with and without a 421-a exemption, assuming that: (a). the post completion assessed value of the building will be \$499,000 (b). the tax rate for residential condominiums will be 12.719%; (c). 421-a exemptions will be capped at \$65,000 per unit of assessed value; (d). the individual assessed value of units will be assessed in the same proportion as common interest in the common elements. Based on these assumptions, the following is my estimate of annual taxes per unit:

Unit #	Estimated Taxes		Estimated Taxes	
	Without 421-a		With 421-a	
	Per Mo.	Per Yr.	Per Mo.	Per Yr.
1A	\$410.66	\$4,928	\$41.06	\$492.80
1B	\$988.80	\$11,866	\$98.88	\$1,186.50
2A	\$603.73	\$7,245	\$60.37	\$724.50
2B	\$581.33	\$6,976	\$58.13	\$697.60
3A	\$603.73	\$7,245	\$60.37	\$724.50
3B	\$581.33	\$6,976	\$58.13	\$697.60
4A	\$790.93	\$9,491	\$79.09	\$949.10
4B	\$772.80	\$9,274	\$77.28	\$927.40
	\$5,333.31	\$64,000	\$533.31	\$6,400.00

I have been retained to obtain the Certificate of Eligibility in order that the condominium units to be created may have the benefit of the partial tax exemption. I consent to the inclusion of this letter in the offering plan. In no event will my firm, the sponsor, the condominium or any other person be liable if the assessed valuation made is lesser or greater than predicted, or if the Administrative Code, HPD Regulations are changed, or if the facts as represented prove to be untrue.

The percentage interest of each Unit in the common elements shown in Schedule "A" of the Offering Plan is assigned in the approximate proportion that the floor area of the Unit at the date of the Declaration bears to the aggregate floor areas of all Units. In my Opinion, this method of assigning the percentage of common interest to each Unit is in compliance with Real Property Law Section 339-i.(1)(iv). This opinion is based on other expert factual determinations as required by Section 20.1(i) of Part 20 of the regulations regarding Vacant, Newly Constructed and Non-Residential condominiums issued by the Attorney General. (See letter of Thomas E. Berinato dated February 4, 2019 at p. 37 herein).

Very truly yours,



Thomas E. Berinato

RESERVE FUND:

This Offering Plan makes provision for no Reserve Fund.

WORKING CAPITAL FUND:

At the time of the first closing of title to each Unit to bona fide Purchaser, such Purchaser shall pay the sum of \$1,000.00 to the Board of Managers for its working capital (the Working Capital Fund). Adjustments for prepaid expenses between the sponsor and the board of managers may be deducted only from the working capital fund.

For such period as Sponsor retains control of the Board of Managers, the Working Capital Fund shall not be used to reduce estimated Common Charges.

If the Condominium requires financing for need Capital Improvement, such as renewal or replacement of building components or systems, to remedy major building defects, it has two options. One option would be to make an assessment of all Unit Owners in proportion to Common Elements. Another option would be for the Board to apply for an unsecured loan from a bank or other lender.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

MANAGEMENT AGREEMENT:

At or prior to the First Unit Closing, the Sponsor shall undertake to manage the building for a period of one year, free of charge. The Management Agreement fee is at lower than prevailing rates of \$45 per unit per month or \$4,500 annually for a comparable building. The Agreement will be for a term of one (1) year. Thereafter, on the first anniversary of the First Unit Closing, Board must, if it elects, retain the services of a management company and pay that management company.

The services to be performed by the managing agent include bookkeeping, payroll and collection of common charges, supervision of the building super and preventative maintenance.

The expenses of the managing agent are not reimbursable unless authorized and agreed to in advance by the condominium Board of Managers.

The Condominium must indemnify the managing agent for acts undertaken, and contracts executed at the direction of the Condominium Board. In addition, the Condominium shall name the Managing agent as an additional insured on its liability insurance policies.

The Board may cancel the agreement with the Sponsor, with or without cause. The managing agent may cancel the agreement on thirty days written notice, if its fees are not paid.

The management agreement is not assignable without written permission from the condominium board of managers.

IDENTITY OF PARTIES:

1. Sponsor.

KST2 Properties, LLC, the Sponsor, is a Limited Liability entity formed in 2015. The principal office of Sponsor is 30-77 38th Street, Astoria, N.Y. . There are two members of Sponsor: they are Janos Kanta and Ken Tolley. Mr. Tolley's business address is [REDACTED] Mr. Kanta's business address is [REDACTED]. Each of the Sponsor's principals own and control more than a 10% equity interest in the Sponsor. Mr. Tolley and Mr. Kanta are both real estate investors and developers.

None of the Sponsor's principals has any prior bankruptcies, convictions (felony or otherwise), injunctions and judgments at any time.

Sponsor's principals have not taken part in any other offerings.

Other than as stated, there are no other cooperative, condominium or homeowners associations, other than the subject building, where the Sponsor, general partner or principal of the Sponsor, or the holder of unsold shares, owns 10 percent or more of the unsold shares or units as an individual, general partner or principal. The Sponsor, its principals or holder of unsold shares are current in all its financial obligations, under these offerings, including, but not limited to, payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments, payments for repairs and improvements promised in the plan, and payments of underlying mortgages and loans for which shares or units have been pledged or mortgaged.

The Sponsor's principals have no relationship to the architect or the attorney for the sponsor other than with respect to this offering. The architect and attorney have each represented sponsor's principals in other offerings, as identified above.

2. Architect.

The architect is Chris Papa. Mr. Papa is a registered architect in the State of New York. There is no other relationship between Mr. Papa and the Sponsors Mr. Papa has over 10 years of experience in the design and construction of multifamily residential buildings in Manhattan, Brooklyn and Queens.

3. Managing Agent.

The Managing Agent will be the Sponsor.

The principals of the managing agent have no prior felony convictions.

4. Counsel

Sponsor has retained the law firm of Thomas E. Berinato, with offices at 123-40 83rd Avenue, Kew Gardens, New York 11415, to represent it in connection with the Offering Plan. Mr. Berinato prepared Parts I and II of this Offering Plan, together with the Declaration, the By-Laws, and the forms of Purchase Agreement, Unit Owner's Power of Attorney and Condominium Unit Deed contained in Part II of this Offering Plan. Mr. Berinato's fee is being paid by Sponsor. Mr. Berinato will also act as Escrow Agent. The law firm of Sacco & Fillas, Esqs., of 31-19 Newtown Avenue, Astoria, NY 11102 shall act as closing and escrow agent.

5. Selling Agent

The Selling Agent is the sponsor. The information about the sponsor's principals is stated above. The Sponsor's principals have no prior experience as Selling Agents.

REPORT TO UNIT OWNERS:

A certified financial statement of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners within four months after the end of each fiscal year of the Condominium. While the Sponsor is in control of the Board, the financial statement must be certified.

Written notice of each annual or special meeting of Unit Owners shall be given to all Unit Owners who are then the record owners entitled to vote or designate members of the Board of Managers at such meeting. Such notice shall set forth the purpose, time and place of such meeting and may be given to any Unit Owner by personal delivery, mail or telegram not later than ten (10) business days prior to the day fixed for the meeting. If the business to be conducted at the meeting shall include the consideration of a proposed amendment to the Declaration or the By-Laws, the notice shall be mailed to all Unit Owners at least thirty (30) days prior to the day fixed for the meeting and shall be accompanied by a copy of the text of such proposed amendment.

The books of account and record of the Condominium may be examined by Unit Owners during regular business hours. True copies of the Floor Plans, the Declarations, the By-Laws and the Rules and Regulations shall be kept on file in the office of the Board of Managers and shall be available for inspection during regular business hours by persons having an interest therein.

A copy of the proposed annual budget of the condominium shall be given annually by the Board of Managers to all unit owners within fifteen days prior to the date set for its adoption. While the Sponsor is in control of the Board of Managers, such budget shall be certified in compliance with 13 New York Code Rules and Regulations Part 20.4 of the Rules governing Newly Constructed, Vacant or Nonresidential Condominium.

DOCUMENTS ON FILE:

Sponsor shall keep copies of the Plan, all documents referred to in the Offering Plan, and all Exhibits submitted to the Department of Law in connection with the filing of the Offering Plan on file and available for inspection without charge at the office of the Managing Agent for a period of six years from the date of the first closing. Sponsor shall deliver to the Board of Managers of all documents filed with the appropriate recording office at the time of closing to the first unit.

**SPONSOR'S STATEMENT
OF BUILDING CONDITION PURSUANT TO
SECTION 13 N.Y.C.R.R. PART 20.3(ag)**

New York State Department of Law
Real Estate Financing Bureau
28 Liberty Street
New York, NY 10005

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

The contemplated construction to the Property, as well as the time table for completion of the construction, are described in the Description of Property and Building Condition contained in Part II of the Offering Plan.

As stated in the Description of Property and Building condition, the number of units offered will be identical to the number of units indicated in the Certificate of Occupancy. All property interest offered, including cellar's recreational rooms are provided for in the Certificate of Occupancy.

Reference is made to the Official Inspection Reports reflecting upon the condition of the premises, such as notices of building code violations. All existing notices of building code violations are reproduced herein in Part II of the Plan. Sponsor shall remove and correct all such notices at or prior to the issuance of a new Certificate of Occupancy for the Property.

GENERAL:

1. There are no lawsuits or other legal proceedings pending which could materially affect this Offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all its obligations under the Offering Plan, the Condominium or the operation thereof.

2. The Property has not been the subject of any prior public offering.

3. Sponsor hereby represents that neither it, nor any of its agents, will refuse to sell or offer, or will otherwise discriminate against any person or persons by reason of their race, religion, color or place of national origin in the sale, transfer or lease of Units described in this Plan.

4. No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the date the plan is accepted for filing.

5. Sponsor represents that all units offered in the plan are vacant.

6. A Purchaser who is afforded a right to rescind shall be given a reasonable time, of not less than 15 days after presentation thereof, to exercise that right to rescind. Purchasers shall be afforded a right of rescission if there is a substantial amendment to the Offering Plan that adversely affects such Purchaser. Sponsor will return the down payment promptly to any Purchaser entitled to rescind who exercises such right in accordance herewith. Changes in purchase prices for Units or an increase in the Total Projected Budget by less than 25% shall not be deemed substantial adverse amendments.

7. Sponsor will comply with the smoke and carbon monoxide detector laws.

8. This Offering Plan may not be changed or modified orally.

11. There are no any circumstances which may affect use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in the plan.

Dated: Kew Gardens, New York

PART TWO

AGREEMENT

AGREEMENT made as of _____, 201__, between KST2 PROPERTIES LLC, having offices at 30-77 38th Street, Astoria, N.Y. 11103 (Sponsor-Seller) and _____ having an address at _____ ("Purchaser").

WITNESSETH

1. Purchase Price

1.1 The Purchase price ("Purchase Price") is \$

(a) constituting a down payment in the amount of ten percent (10%) of the Purchase Price on the signing of this Agreement by check (subject to collection), receipt of which is hereby acknowledged; and

(b) \$ _____, constituting the balance of the Purchase price, in cash or good certified check of Purchaser or official bank check, on the delivery of the deed as hereinafter provided (subject to the provisions of subsection 1.2 hereof).

1.2 All checks shall be drawn on a New York bank or trust company, which is a member of the New York Clearing House Association. All checks in payment of the portion of the Purchase Price referred to in subsection 1.1 (a) hereof shall be made payable to the order of "SACCO & FILLAS, LLP, Escrow Account for The 27-21 27th Street Condominium" and all checks in payment of the portion of the Purchase Price referred to in subsection 1.1(b) hereof shall be made payable to the direct order of the Sponsor.

1.3 Any portion of the Purchase Price to be loaned by a bank, trust company or other lending institution may be paid on the Closing Date (as hereinafter defined), provided the Sponsor shall have been furnished with a copy of a written mortgage loan commitment accepted by Purchaser from such bank, trust company or other lending institution for such portion of the Purchase Price as is being borrowed, on or before the date such portion of the Purchase Price would otherwise have been due under subsection 1.1 hereof.

2. **The Offering Plan.** Purchaser acknowledges having received and read a copy of the Offering Plan for Condominium ownership of the premises located at 27-21 27th Street, Astoria, NY and all amendments thereto filed with the Department of Law of the State of New York (hereinafter collectively referred to as the "Plan") within a 72 hour period immediately preceding the execution of this Agreement by Purchaser. The Plan is incorporated hereby by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

Smoking is not permitted anywhere in the building (except inside units) including common areas. Smoking is permitted inside units. The smoking policy is intended to be the same as the policies set forth in the Smoke Free Air Act. NYC Administrative Code § 17-505. ("SFAA"). SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working).

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

4. **Architectural Plan.** Purchaser has been given an opportunity to examine the architectural plans and specifications for the above-numbered Unit and for the building in which it is located ("the Building"), prepared by the Registered Architect, Albert Chen, R.A. ("the Architect").

5. **Construction.** The construction of the building and Unit and the materials, equipment and fixtures installed therein shall be substantially in accordance with the plan and the Architectural Plans and specifications as said plans and specifications are modified or amended as provided in the plan. The issuance of a final certificate of occupancy for entire Building shall be deemed presumptive evidence that the Building has been fully completed in accordance with the plans and specifications.

6. **The Unit.** Sponsor agrees to sell and convey and Purchaser agrees to purchase the Unit ("Unit") designated as Unit No. _____ in the Declaration, together with a _____% undivided interest in the Common Elements appurtenant thereto, together with and subject to the easements, covenants, rights and benefits set forth in the Declaration and By-Laws, and upon and subject to the terms and conditions set forth herein.

PURCHASER(S) HEREBY REPRESENT THAT HE/SHE/THEY WILL RESIDE IN THE UNIT AS THEIR PRIMARY RESIDENCE FOR NO LESS THAN FIVE (5) YEARS AFTER CLOSING.

7. **Closing.** The closing of title shall take place on no less than thirty days' written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the ("Closing Date")) to be specified by Seller. Such date shall be no earlier than 30 days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). The closing of title may be adjourned to such later date as the parties may agree upon in writing, or otherwise as set forth in the following paragraph, and such adjourned date shall then be deemed the Closing Date hereunder. Purchaser shall be entitled to one reasonable adjournment of up to fifteen days, on five days written notice by Purchaser to Sponsor. The Seller may be entitled to reasonable adjournments in the closing of title in the event of delays by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements.

8. **Delivery of the Deed and Power of Attorney to the Condominium Board.**

- a. At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the unit to Purchaser. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in the form necessary for recording.
- b. At the closing of title, and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor and substantially in the form set forth in Part II of the Plan.
- c. The deed and power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the Queens County office of the Register of The City of New York (the "City Register's Office"). After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Condominium Board.

9. **Marketable Title.** At the closing of title, Sponsor shall convey to Purchaser good and marketable title in fee simple, free and clear of all encumbrances other than those set forth in the Plan at entitled "Terms of Sale" and mortgages, if any, covering the Unit, which Purchaser assumes. Any encumbrances to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered to the proper party together with the recording or filing fees or (b) any reputable title company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

10. **Expenses of closing and closing Adjustments.** Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Closing Costs and Adjustments", including New York State and City Real Property transfer taxes and the amount of any credit for mortgage recording tax as set forth in such Section. Purchaser shall make the contribution to the working capital of the Condominium referred to in such Section. Real estate taxes and common charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Seller in excess of \$500.00 will be paid by certified check or bank check. Recording charges, fees and taxes, as set forth in the Plan, are based on the rates in effect on the date of the Plan and are subject to change without notice.

11. **Escrow of Deposits.** The Seller will hold all monies received directly or through its agents or employees hereunder in trust until the closing of title to a Unit pursuant to the terms of this Purchase Agreement or the Offering Plan in a special account titled "SACCO & FILLAS, ESQ., Escrow Agent for The 27-21 27th Street Condominium" or similar name in JP Morgan Chase Bank, 81-35 Lefferts Boulevard, Kew Gardens, N.Y. 11415. The signature of SACCO & FILLAS, attorney for Sponsor, shall be required to withdraw such funds. The Funds existing in the Trust Account will be payable to the Seller after the closing of title to the

Unit covered by this purchase agreement. In the event of default by the Purchaser under this Purchase Agreement, which default continues for thirty (30) days after notice of such default from Seller to the Purchaser, the down payment (to a maximum of 10%) plus the actual cost of any special work ordered, will be released to the Seller from such account as liquidated damages and thereafter neither party shall have any rights or obligations against the other.

In the event the Seller cannot convey title to the Unit, all monies advanced by the Purchaser hereunder shall be returned to the Purchaser. The Seller will not record the Declaration until it has Purchase Agreements for at least 15% of all the Units. If the Seller does not record the Declaration and abandons the Offering Plan, all monies advanced by the Purchaser will be returned promptly thereafter with interest, if any. If the offering plan is to be abandoned after filing and the sponsor has accepted purchase agreements, the 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. If payments under purchase agreements have been received, the amount of such funds and the manner and time when these funds will be returned to purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing.

12. **Binding Effect of Declaration, By-Laws and Rules and Regulations.** Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. **Agreement Subject to Mortgage.** No encumbrances shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date 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 his 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. Purchaser may make his obligations under the Agreement contingent upon obtaining a mortgage loan by executing the Mortgage Addendum to Purchase Agreement attached hereto and compliance with the terms therein. In the event Purchaser does not comply with the terms set forth in the Mortgage Addendum to Purchase Agreement, Seller shall be entitled to declare this Agreement in default and retain the Down Payment and interest as liquidated and agreed upon damages. Should Purchaser comply with the terms set forth in the Mortgage Addendum to Purchase Agreement and fail to obtain a mortgage loan, Seller shall return the Down

Payment and interest, if any, to Purchaser and thereafter the parties shall be released from any obligation under this agreement.

14. **Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel.**

This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed by the Plan. If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed canceled. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth herein or in the Plan for any reason other than Purchaser's default, then, at Purchaser's option upon thirty days' prior written notice, this Purchase Agreement shall be deemed canceled. If this Purchase Agreement is canceled pursuant to the provisions of this paragraph, then not later than five days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder, with the interest earned thereof, if any, and upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

15. **Default by Purchaser.** In the event Purchaser shall fail to make any payment on the date hereinbefore provided or on such later date as the parties hereto shall agree upon, shall fail to close title on the closing date, or shall fail to perform any of the purchaser's other obligations hereunder, Sponsor may send notice to Purchaser of Sponsor's intention to cancel this Agreement if such default shall not be cured within thirty days thereafter. **TIME IS OF THE ESSENCE TO CURE SUCH DEFAULT WITHIN THE SAID THIRTY-DAY PERIOD.** If within said thirty day period Purchaser shall fail to cure such default, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser sent within 30 days after the sending of the said notice of intention to cancel, and thereupon this agreement shall be deemed canceled. In the event that Sponsor shall elect to cancel this Agreement, Sponsor shall certify to its attorney, Sacco & Fillas, Esqs., that Purchaser has defaulted and that Sponsor has elected to cancel this Agreement by reason thereof. If, within three days after the sending of notice of cancellation, Purchaser shall have failed to object thereto by Notice to Sacco & Fillas, LLP, 31-19 Newtown Avenue, Astoria, NY 11102 by certified mail, return receipt requested, all payments made by Purchaser pursuant to this Agreement, together with all other sums theretofore paid by Purchaser hereunder, shall be retained by Sponsor as liquidated damages. In no event shall liquidated damages exceed 10% of the purchase price plus the cost of any special work ordered. If this Agreement shall be canceled by Sponsor pursuant to the provisions of this Paragraph, Sponsor may sell the Unit to any third party and Sponsor shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. If Purchaser shall have objected to Sponsor's Notice of cancellation within the aforesaid three day period, Sponsor will retain all payments made by Purchaser pursuant to this Agreement until the dispute is resolved, but Sponsor shall nevertheless have the right to sell the Unit to any third party without any obligation to account to Purchaser for any part of the proceeds of such sale. Saaco & Fillas , Esq. may rely on the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same. In the event of Purchaser's default, no funds will be released to Seller without the signature of Seller's attorney, Sacco & Fillas, 31-19 Newtown Avenue, Astoria, NY 11102.

16. **Possession of Unit Prior to Closing.** It is expressly understood and agreed that the Purchaser shall in no event take possession of the Unit prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Sponsor, and if the Sponsor so elects, the Sponsor may cancel this Agreement and the amount deposited hereunder shall belong to the Sponsor as liquidated damages deemed earned hereunder. It is fully understood and agreed that the Sponsor will not be responsible for damage or loss to any personal property before, on or after the closing if title herein.

17. **Sponsor's Inability to Convey the Unit.** In the event Sponsor is unable to deliver title to the Unit to Purchaser for any reason whatsoever, Seller's liability shall be limited to the return of the money deposited hereunder and upon return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever to cure such inability, and in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser shall have the option to (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall within ten (10) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited hereunder, and upon making such payment, this Agreement shall be null and void and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liabilities under this Agreement and the Plan. The foregoing option must be exercised by notice of Purchaser in writing to Sponsor within ten days after the giving of Sponsor's notice of refusal to cure such inability. If Purchaser fails to give any notice to Sponsor, it shall be conclusively deemed that Purchaser elected the second option above to terminate this Agreement.

18. **Acceptance of Condition of Unit; Risk of Loss.**

(i) Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision of escrow) notwithstanding that construction of (a) minor details of the Unit or the Building in which it is located or (b) other Units or (c) the landscaped area or (d) other portions of the common elements have not been completed. Purchaser will examine his Unit with a representative of the Sponsor during normal business hours prior to the Closing Date and will sign and deliver to Sponsor on or before the Closing Date an Inspection Statement acknowledging the condition in which he has received his Unit.

(ii) Purchaser represents to sponsor that he has examined the Unit and agrees that his execution of this Purchase Agreement shall constitute acceptance of the Unit and the Building and all fixtures, machinery, equipment, furnishings, appliances, installations and other personal property contained therein, in their present condition on the date of this Purchase Agreement,

subject to reasonable use, wear, tear and natural deterioration between the date of this Purchase Agreement and the Closing Date.

(iii) Risk of loss for fire or other casualty remains with Seller until the earlier of the following events:

- a. Legal title to the Unit has been conveyed to the Purchaser, or
- b. The Purchaser has taken actual possession of the Unit pursuant to a written agreement with Seller.

19. **Broker.** Purchaser represents to Sponsor that _____ is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction and Sponsor agrees to pay the commission earned by said broker, if any, pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commission by any broker, other than the above-named broker on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold free and harmless Sponsor from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the delivery of the deed.

20. **Warranties.** At the closing of title, the Seller will deliver the certificates and warranties delivered to them and transferable to purchaser or to the Condominium. Seller's liability pursuant to the manufacturer's warranties covering heat, appliances, electricity, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. In addition, however, Seller will promptly correct any defects in the construction of the Condominium Unit or the building containing the Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and specifications, provided that it is notified of such defects in writing by certified mail within one year from the date of the closing of title to the Unit in which the alleged defect exists.

Purchaser should note that:

- 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. These warranties give Purchaser specific legal rights. Purchaser may have other rights under State law.
- d. These warranties are extended to you as Purchaser and are not extended to any subsequent Purchaser and mortgage lender who takes possession of the Unit.

e. These warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Seller's original construction or installations.

f. Seller is not responsible for any work or material ordered directly by Purchasers from Seller's contractors or suppliers.

g. Seller will provide Purchaser with the same warranties provided under the Housing Merchant Implied Warranty, Section 777-a of the General Business Law. The provisions of this Paragraph shall survive the delivery of the deed.

21. **Agreement May Not Be Assigned.** Purchaser shall not have the right to assign this Agreement without the prior written consent of Sponsor and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller.

22. **Binding Effect.** This Agreement shall not be binding on Purchaser or Sponsor until a fully executed copy hereof has been furnished to Purchaser. If this Agreement is not accepted within twenty days from the date hereof by the furnishing to Purchaser of a fully executed copy, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof, with interest accrued thereon, if any, shall be returned promptly to Purchaser.

23. **Notices.** Any notices, request or other communication hereunder or under the Plan shall be in writing and sent, postage prepaid, by registered or certified mail, return receipt requested, to Purchaser at the address given at the beginning of this Agreement, with a copy to his/her/their Counsel or to the seller at the address given at the beginning of this Agreement, with a copy to Sacco & Fillas, LLP, 31-19 Newtown Avenue, Astoria, N.Y. 11102, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of giving if any notice of change of address.

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

25. **No Oral Changes:** This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY ALL PARTIES. YOU, AS THE PURCHASER OF THIS UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

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

SPONSOR-SELLER:

By: _____

By: _____

By: _____

By: _____

PURCHASER:

MORTGAGE ADDENDUM

The obligations of Purchaser hereunder are conditioned upon issuance on or before **forty-five (45) days from a fully executed contract received by Purchaser's Attorney**, (the "Commitment Date") of a written commitment from any Institutional Lender pursuant to which such Institutional Lender agrees to make a first mortgage loan, other than a VA, FHA or other governmentally insured loan, to Purchaser, at Purchaser's sole cost and expense, of _____ or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed rate for a term of at least **30** years and on other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender. For purposes of this contract, the term "Institutional Lender" shall mean any bank, savings bank, private banker, trust company, savings and loan association, credit union or similar banking institution whether organized under the laws of this state, the United States or any other state; foreign banking corporation licensed by the Superintendent of Banks of New York or the Comptroller of the Currency to transact business in New York State; insurance company duly organized or licensed to do business in New York State; mortgage banker licensed pursuant to Article 12-D of the Banking Law; and any instrumentality created by the United States or any state with the power to make mortgage loans. Purchaser shall (i) make application within ten business days to an Institutional Lender for such mortgage loan, (ii) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan. (iv) Pursue such application with diligence, (v) cooperate in good faith with such Institutional Lender to obtain such commitment and (vi) give Notice within ten business days to Seller of the name and address of each Institutional Lender to which Purchaser has made such application. Purchaser shall comply with all requirements of such commitment (or any other commitment accepted by Purchaser) and Seller with a copy thereof promptly after receipt thereof. If such commitment is not issued on or before the Commitment Date, then, unless Purchaser has accepted a commitment that does not comply with the requirements set forth above, Purchaser may cancel this contract by giving Notice to Seller within 5 business days after the Commitment Date, in which case this contract shall be deemed cancelled and thereafter neither party shall have any further rights against, or obligations or liabilities to, the other by reason of this contract, except that the Downpayment shall be refunded to Purchaser within five business days. If Purchaser fails to give notice of cancellation or if Purchaser shall accept a commitment that does not comply with the terms set forth above, then Purchaser shall be deemed to have waived Purchaser's right to cancel this contract and to receive a refund of the Downpayment by reason of the contingency contained in this paragraph. (Delete if inapplicable) (b) Purchaser and Seller agree that the submission of an application to a mortgage broker registered pursuant to Article 12-D of the New York Banking Law ("Mortgage Broker") shall constitute full compliance with the terms and conditions set forth in paragraph 8(a)(i) of this contract, and that Purchaser's cooperation in good faith with such Mortgage Broker to obtain a commitment from an Institutional Lender (together with Purchaser's cooperation in good faith with any Institutional Lender to which Purchaser's application has been submitted by such Mortgage Broker), and the giving of Notice by Purchaser to Seller within ten business days of the name and address of each Mortgage Broker to which Purchaser has submitted such an application shall constitute full compliance with the terms and conditions set forth in this contract.

SPONSOR-SELLER:

PURCHASERS:

By: _____

By: _____

By: _____

By: _____

POWER OF ATTORNEY

The undersigned, _____, (residing)(having an office) at _____, the Owner of Unit No. _____ in the Condominium known as THE 27-21 27TH STREET CONDOMINIUM, located at 27-21 27th Street, Astoria, Borough of Queens, State of New York, 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 dated _____, 200__, and recorded in the Register's Office, Queens County on _____, 200__ in CRFN _____, and shown on the Floor Plans on file in said office as Map No. _____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of THE 27-21 27TH STREET CONDOMINIUM, jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to (1) acquire in their own names, as Members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in the Condominium, in accordance with their respective Common Interests, (a) any Unit whose Owner desires to abandon or sell the same, together with the undivided interest in the Common Elements appurtenant thereto, (b) the interests of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, (c) the interest of such Unit Owner 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 attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) and to otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, and (2) to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment shall be authorized by the Declaration or By-Laws.

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

The undersigned do hereby nominate, constitute and appoint KST2 PROPERTIES LLC (Sponsor) as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or Sponsor's designee in accordance with Article 16 of the Declaration or (2) shall be required by (a) an Institutional Lender procured by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, or (3) shall be authorized pursuant to Article 15 of the Declaration provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned Unit, or

(iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the Undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-designees shall cease to own any Units in the Condominium.

This power of attorney shall be irrevocable.

All capitalized items in this Power of Attorney shall have the same meaning as in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this ____ day of _____, 200__.

STATE OF NEW YORK)ss.:

COUNTY OF _____)

On the ____ day of _____, in the year 20____, the undersigned a Notary Public in and for said State, personally appeared _____ known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names(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

Sample Interim Lease

THIS LEASE (the "Lease") dated this ____ day of ____, 201__

BETWEEN:

KST2 Properties, LLC

(the "Landlord")

OF THE FIRST PART

- AND -

_____;

(collectively and individually the "Tenant")

OF THE SECOND PART

IN CONSIDERATION OF the Landlord leasing certain premises to the Tenant, the Tenant leasing those premises from the Landlord and the mutual benefits and obligations provided in this Lease, the receipt and sufficiency of which consideration is hereby acknowledged, the parties to this Lease agree as follows:

Leased Property

1. The Landlord agrees to rent to the Tenant the apartment described as 27-21 27th Street, Unit ____, Astoria, NY (the "Property"), for use as residential premises only. Neither the Property nor any part of the Property will be used at any time during the term of this Lease by Tenant for the purpose of carrying on any business, profession, or trade of any kind, or for the purpose other than as a private single-family residence.
2. Subject to the provisions of this Lease, apart from the Tenant and the Tenant's immediate family members, no other persons will live in the Property without the prior written permission of the Landlord.
3. No guests of the Tenants may occupy the Property for longer than one week without the prior written consent of the Landlord.

4. No pets or animals are allowed to be kept in or about the Property without the prior written permission of the Landlord. Upon thirty (30) days notice, the Landlord may revoke any consent previously given pursuant to this clause.
5. The Tenant agrees and acknowledges that the Property has been designated as a smoke-free living environment. Smoking is not permitted in the common area of the building. Smoking is only permitted within apartments. The Tenant and members of Tenant's household will not smoke anywhere in the Property nor permit any guests or visitors to smoke in the Property.

Term

6. The term of the Lease commences at 12:00 noon on _____ and ends (i) when Tenant acquires title to the Property; or (ii) when Tenant rescinds his Purchase Agreement and vacates the Property.

Rent

7. Subject to the provisions of this Lease, the rent for the Property is \$_____ per month (the "Rent").
8. The Tenant will pay the Rent on or before the first of each and every month of the term of this Lease to the Landlord at 30-77 38th Street, #2B, Astoria, NY 11103 or at such other place as the Landlord may later designate.
9. The Landlord may increase the Rent for the Property upon providing to the Tenant such notice as required by the Act.
10. The Tenant will be charged an additional amount of \$25 per infraction, for any late Rent of five days.

Security Deposit

11. On execution of this Lease, the Tenant will pay the Landlord a security deposit equal to one months' rent (the "Security Deposit").
12. The Landlord will hold the Security Deposit at an interest bearing account solely devoted to security deposits at HSBC Bank located in Brooklyn.
13. The Tenant may not use the Security Deposit as payment for the Rent.

Quiet Enjoyment

14. The Landlord covenants that on paying the Rent and performing the covenants contained in this Lease, the Tenant will peacefully and quietly have, hold, and enjoy the Property for the agreed term.

Tenant Improvements

15. The Tenant will obtain written permission from the Landlord before doing any of the following:

- a. applying adhesive materials, or inserting nails or hooks in walls or ceilings other than two small picture hooks per wall;
- b. painting, wallpapering, redecorating or in any way significantly altering the appearance of the Property;
- c. removing or adding walls, or performing any structural alterations;
- d. installing a waterbed(s);
- e. changing the amount of heat or power normally used on the Property as well as installing additional electrical wiring or heating units;
- f. placing or exposing or allowing to be placed or exposed anywhere inside or outside the Property any placard, notice or sign for advertising or any other purpose; or
- g. affixing to or erecting upon or near the Property any radio or TV antenna or tower.

Utilities and Other Charges

16. The Landlord is responsible for the payment of the following utilities and other charges in relation to the Property: water/sewer and garbage collection.
17. The Tenant is responsible for the payment of the following utilities and other charges in relation to the Property: electricity, internet, cable, telephone, natural gas, heating oil/propane and garbage collection.

Insurance

18. The Tenant is hereby advised and understands that the personal property of the Tenant is not insured by the Landlord for either damage or loss, and the Landlord assumes no liability for any such loss. The Tenant is advised that, if insurance coverage is desired by the Tenant, the Tenant should inquire of Tenant's insurance agent regarding a renter's policy of insurance.
19. The Tenant is not responsible for insuring the Landlord's contents and furnishings in or about the Property for either damage or loss, and the Tenant assumes no liability for any such loss.
20. The Tenant is not responsible for insuring the Property for either damage or loss to the structure, mechanical or improvements to the building of the Property, and the Tenant assumes no liability for any such loss.

21. The Tenant is responsible for insuring the Property for liability insurance for the benefit of the Tenant and the Landlord.
22. The Tenant will provide proof of such insurance to the Landlord upon the issuance or renewal of such insurance.

Governing Law

23. It is the intention of the parties to this Lease that the tenancy created by this Lease and the performance under this Lease, and all suits and special proceedings under this Lease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of New York, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

24. If there is a conflict between any provision of this Lease and the applicable legislation of State of New York (the "Act"), the Act will prevail and such provisions of the Lease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Lease.
25. In the event that any of the provisions of this Lease will be held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Lease and the remaining provisions had been executed by both parties subsequent to the expungement of the invalid provision.

Assignment and Subletting

26. The Tenant will not assign this Lease, or sublet or grant any concession or license to use the Property or any part of the Property. Any assignment, subletting, concession, or license, whether by operation of law or otherwise, will be void and will, at Landlord's option, terminate this Lease.

Carbon Monoxide Alarm

27. Prior to the Tenant taking possession of the Property, the Landlord will ensure that any carbon monoxide alarm in place is operational. Upon possession, the Landlord will provide the Tenant with working batteries, for all carbon monoxide alarms. The Landlord will be responsible for the repair and replacement of any missing or nonfunctional carbon monoxide alarm upon written request of the Tenant.
28. The Tenant will keep, test, and maintain in good repair all the carbon monoxide alarms in the Property. The Tenant must provide the Landlord or the Landlord's agent with a written notice if any carbon monoxide alarm needs its

batteries replaced or if the alarm is stolen, removed, missing, or not operational. Further, the Tenant must notify the Landlord, or its agent, in writing of any deficiency in any carbon monoxide alarm that the Tenant is unable to fix.

29. No person may remove any batteries from, or in any way render inoperable, a carbon monoxide alarm except as part of the process to inspect, maintain, repair or replace the alarm or batteries in the alarm.

Hazardous Materials

30. The Tenant will not keep or have on the Property any article or thing of a dangerous, flammable, or explosive character that might unreasonably increase the danger of fire on the Property or that might be considered hazardous by any responsible insurance company.

Rules and Regulations

31. The Tenant will obey all rules and regulations posted by the Landlord regarding the use and care of the building, parking lot, laundry room and other common facilities that are provided for the use of the Tenant in and around the building containing the Property.

Address for Notice

32. For any matter relating to this tenancy, the Tenant may be contacted at the Property or through the phone number below. After this tenancy has been terminated, the contact information of the Tenant is:

a. Name:

b. Phone: _____.

c. Post termination notice address: _____,
_____, _____, NY.

33. For any matter relating to this tenancy, whether during or after this tenancy has been terminated, the Landlord's address for notice is:

a. Name: KST2 Properties, LLC

b. Address: 30-77 38th Street, Astoria, NY 11103

The contact information for the Landlord is:

c. Phone: (718) 575-3400

d. Email address: Tberinato@verizon.net

General Provisions

34. Any waiver by the Landlord of any failure by the Tenant to perform or observe the provisions of this Lease will not operate as a waiver of the Landlord's rights under this Lease in respect of any subsequent defaults, breaches or non-performance and will not defeat or affect in any way the Landlord's rights in respect of any subsequent default or breach.

35. This Lease will extend to and be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors and assigns, as the case may be, of each party to this Lease. All covenants are to be construed as conditions of this Lease.

35. All sums payable by the Tenant to the Landlord pursuant to any provision of this Lease will be deemed to be additional rent and will be recovered by the Landlord as rental arrears.

36. Where there is more than one Tenant executing this Lease, all Tenants are jointly and severally liable for each other's acts, omissions and liabilities pursuant to this Lease.

37. Locks may not be added or changed without the prior written agreement of both the Landlord and the Tenant, or unless the changes are made in compliance with the Act.

38. The Tenant will be charged an additional amount of \$25.00 for each N.S.F. check or checks returned by the Tenant's financial institution.

39. This Lease and the Tenant's leasehold interest under this Lease are and will be subject, subordinate, and inferior to any liens or encumbrances now or hereafter placed on the Property by the Landlord, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions such liens or encumbrances.

40. This Lease may be executed in counterparts. Facsimile signatures are binding and are considered to be original signatures.

41. The Tenant will indemnify and save the Landlord, and the owner of the Property where different from the Landlord, harmless from all liabilities, fines, suits, claims, demands and actions of any kind or nature for which the Landlord will or may become liable or suffer by reason of any breach, violation or non-performance by the Tenant or by any person for whom the Tenant is responsible, of any covenant, term, or provisions hereof or by reason of any act, neglect or default on the part of the Tenant or other person for whom the Tenant is responsible. Such indemnification in respect of any such breach, violation or non-performance, damage to property, injury or death occurring during the term of the Lease will survive the termination of the Lease, notwithstanding anything in this Lease to the contrary.

42. The Tenant is responsible for any person or persons who are upon or occupying the Property or any other part of the Landlord's premises at

the request of the Tenant, either express or implied, whether for the purposes of visiting the Tenant, making deliveries, repairs or attending upon the Property for any other reason. Without limiting the generality of the foregoing, the Tenant is responsible for all members of the Tenant's family, guests, servants, tradesmen, repairmen, employees, agents, invitees or other similar persons.

43. An uncured default under the purchase agreement is a default under the lease and an uncured default under the lease is the default under the purchase agreement. If an uncured default under the lease can result in a default under the purchase agreement, 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 has to vacate the unit within 30 days after a default under the purchase agreement or rescission of the Purchase Agreement by the lessee.

IN WITNESS WHEREOF the parties have duly affixed their signatures on this ____ day of _____, 201__.

Tenant:

Tenant:

Landlord:

THIS RESTRICTIVE DECLARATION ("Restrictive Declaration"), entered into as of the 17 day of ~~June~~ 2019, by KST2 PROPERTIES LLC having its principal office at 30-77 38th Street, Astoria, NY 11103 ("Owner")

WHEREAS, Owner holds title to certain real property located in the Borough of Queens in the City and State of New York, known as and by the street address 27-21 27 Street, Astoria, NY 11102, and identified as Block 575, Lot(s) 38 on the Tax Map of the City of New York ("Property"); and

WHEREAS, the Property contains one or more Eligible Multiple Dwellings that are a Homeownership Project and are receiving an exemption from real property taxation pursuant to Subdivision 16 of Real Property Tax Law §421-a and Chapter 51 of Title 28 of the Rules of the City of New York (collectively "§ 421-a(16)") pursuant to § 421-a(16) Tax Exemption Benefit Application ; and

WHEREAS, unless otherwise defined in this Restrictive Declaration, capitalized terms used herein shall have the meaning set forth in § 421-a(16), and

WHEREAS, eligibility for exemption from real property taxation pursuant to §421-a(16) for a Homeownership Project is conditioned upon the Property meeting Affordability Option D, as set forth in §421-a(16), during the Restriction Period ("Affordability Requirement"); and

WHEREAS, _____ is the Completion Date in accordance with Real Property Tax Law §421-a(16).

NOW THEREFORE, in order to obtain an exemption from real property taxation pursuant to §421-a(16), the Owner has agreed to execute and record this instrument, which provides as follows:

1. The Property shall be subject to the Affordability Requirement for a period commencing upon the Completion Date and terminating on a date which is thirty-five years from the Completion Date.
2. One hundred percent of the units in the Property shall have an average assessed value not to exceed sixty-five thousand dollars upon the first assessment following the Completion Date ("Post-Completion Assessment Cap Requirement").
3. The Property shall contain no fewer than six dwelling units and no more than thirty-five dwelling units during the Restriction Period ("Building Size Requirement").
4. During the Restriction Period, each owner of any dwelling unit in the Property shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit ("Primary Residence Requirement").
5. No portion of the Property shall be operated as a Hotel during the Restriction Period ("Hotel Prohibition Requirement").
6. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

7. The Affordability Requirement, Post-Completion Assessment Cap Requirement, Building Size Requirement, Primary Residence Requirement and Hotel Prohibition Requirement set forth in this Restrictive Declaration shall run with the land, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.
8. At any time prior to the Completion Date, the Owner may terminate this Restrictive Declaration by written notice to the City of New York Department of Housing Preservation and Development. The exemption from real property taxation pursuant to §421-a(16) shall thereafter terminate, retroactive to the effective date of such exemption.

By: Janos Kanta

STATE OF NEW YORK)
) SS:
COUNTY OF QUEENS)

On this ____ day of _____, 201____, before me, the undersigned, a Notary Public in and for said State, personally appeared Janos Kanta, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to in the within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

Record and Return to:
Pramila Louison, Director
Tax Incentives Programs
Department of Housing Preservation and Development
100 Gold Street, Room 8-D09
New York, New York 10038

UNIT DEED

THIS INDENTURE, made the __, day of _____, 201__, between KST2 PROPERTIES LLC , entities formed under the Laws of the State of New York, having an office at 30-35 B Farrington Street, Astoria, NY 11354 (the Grantor), and _____, residing at _____ (the Grantee).

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 (\$10.00) Dollars and other good and valuable consideration, paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Unit (the Unit) known as Unit No. _____ in the premises known as THE 27-21 27TH STREET CONDOMINIUM and by the street address of 27-21 27th Street, Borough of Queens, Queens County, State of New York, said Unit being designated and described as Unit No. _____, in the declaration (Declaration) establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the New York Condominium Act), dated _____ and recorded in the Register's Office, Queens County, (the Register's Office) on _____, CRFN _____, and also designated as Tax Lot ____ in Block 1781 of the Borough of Queens on the Tax Map of the Real Property Assessment Department and on the Floor Plans for said premises, certified by Chris Papa on _____, and filed in the Register's Office on _____, as Condominium Plan No. _____. The premises within which the Unit is located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to these terms in the Declaration or in the By-Laws of THE 27-21 27TH STREET CONDOMINIUM. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the By-Laws.)

Together with an undivided _____% interest in the Common Elements;

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, assessments, restrictions, and other matters of record as pertain to the Unit and/or to the Property;

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the New York Condominium Act, or if any provision which is Necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the applicable provisions of Article 17 of the Declaration shall control.

Except as otherwise specifically permitted by the Board of Managers or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as aforesaid.

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

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

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

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

GRANTORS:
KST2 PROPERTIES LLC

By: _____
Member

GRANTEES:

STATE OF NEW YORK)ss.:

COUNTY OF _____)

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

Notary Public

STATE OF NEW YORK)ss.:

COUNTY OF _____)

On the ____ day of _____, in the year 20____, the undersigned a Notary Public in and for said State, personally appeared _____ known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names(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

**CONDOMINIUM
BARGAIN AND SALE DEED
WITH COVENANT AGAINST GRANTOR'S ACT**

Title No.:

27-21 27th Street CONDOMINIUM

**Section
Block
Lot
City/Town Astoria, NY
County Queens**

TO

RETURN BY MAIL TO:

DESCRIPTION OF THE PROPERTY (THE REPORT)

THE 27-21 27th Street Condominium

**27-21 27th Street
ASTORIA, NEW YORK**

**PREPARED BY
CHRIS PAPA**

**IN ACCORDANCE WITH
THE PLANS AND SPECIFICATIONS
AND OTHER INFORMATION SUPPLIED BY THE SPONSOR**

ARCHITECT'S REPORT
The 27-21 27th Street Condominium
27-21 27th Street, Astoria, NY 11102

Prepared By:

Christopher V. Papa Architect, PC
22-02 Steinway Street
Astoria, NY 11105
(718) 777-5200

October 4, 2019

SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) ADDRESS

27-21 27th Street, Astoria, NY 11102

(2) BLOCK AND LOT

Block 575, Lot 38

(3) ZONING

The lot lies within the Residential Zoning District R6B recorded on Map 9a of the New York City Zoning Resolution.

(4) PERMISSABLE USE

Section 22-12 permits Use Group 2-Residential uses as of right.

The project is filed as a New Building, requiring the issuance of a Certificate of Occupancy upon completion of construction. Quality Housing Zoning regulations have been applied. The building is not located within a landmark district nor is it designated with landmark status.

(b) STATUS OF CONSTRUCTION

A New Building Application has been filed for the sponsor with the Department of Buildings (DOB Job # 421235504) pursuant to the Quality Housing Program by Christopher V. Papa, Architect of Record under standard review (application is not filed to be self-certified). The general scope of work shall include construction of a new four (4) story with Mezzanine and cellar levels containing eight (8) dwelling units. Construction Permit shall be obtained by the sponsor for the work proposed on plans approved by the Department of Buildings. Plumbing and electrical contractors shall obtain necessary permits as required by city agencies. Upon completion of construction, a new Certificate of Occupancy will be obtained for this building. The building shall be built as a five-family, Class "A" multiple dwelling. All construction is scheduled to be completed prior to the conveyance of the first condominium unit.

(1) YEAR BUILT

2019, July (estimated)

(2) CLASS OF CONSTRUCTION

Type I-B, non-combustible, 2 hour rated, in accordance with the 2014 NYC Building Code. The exterior walls and structural support members will consist of non-combustible materials with a minimum fire

protection rating of two hours. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of two hour. Unit separation walls and stair enclosures are non-combustible, two-hour rated assemblies.

- (3) The building is currently under construction and a Certificate of Occupancy for the new building will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings.
- (4) The Sponsor shall obtain a Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan.

ALTERATION PERMITS (OTHER APPLICATIONS)

421236228 – Alt-2 – Builder's Pavement Plan

421347661 – Alt-2 – Fire Sprinkler Plan

421689006 – Alt 2 – Fire Alarm

(c) SITE

(1) SIZE

The zoning lot is situated on an interior lot located on the southeast side of 27th Street between Newtown Avenue and 30th Avenue. Beginning at a point on the southeast side of 27th Street distant 175.75 feet southwest of the corner formed by the intersection of 27th Street and Newtown Avenue running thence southwest 25.00 feet; thence southeast 123.04 feet; thence northeast 25.09 feet; thence northwest 125.22 feet back to the point of origin. The lot area is approximately 3,103.28 square feet (0.0712 acres).

(2) NUMBER OF BUILDINGS AND USE

On the site there shall be one (1) building containing eight (8) residential dwelling units.

(3) STREETS OWNED OR MAINTAINED BY THE PROJECT

The street fronting the property, 27th Street, is a 60'-0" wide two-way street. The streets beyond the lot lines are existing New York City sidewalks, curbs and roadways.

(i) Paving

The existing roadway fronting the property is asphalt paved and is in serviceable condition.

(ii) Curbing

There are existing concrete curbs along 27th Street in serviceable condition.

(iii) Catch Basins

Catch basins are located along the roadway to drain the storm water run-off, into the existing New York City Sewer System. Catch basins are located along Richardson Street.

(iv) Street Lighting

Street lighting is provided by the City of New York, and consists of vertical stanchions surmounted with mercury arc lamps.

(v) Conformity with local jurisdiction having authority

Existing paving, curbs, catches, and lighting conform with the local jurisdictions having authority.

(4) DRIVES, SIDEWALKS AND RAMPS

There are no driveways proposed for this site.

(i) Paving

The existing concrete sidewalks fronting the property are in serviceable condition however it will be replaced prior to the issuance of Certificate of Occupancy. The sidewalk slopes away from the building providing positive drainage without ponding. The sidewalk shall be free of tripping hazards and shall be ADA compliant. The condominium association will be responsible for maintaining the sidewalk as per NYC DOT's requirements.

(ii) Curbing

The existing curbs fronting the property are in serviceable condition however it will be replaced prior to the issuance of Certificate of Occupancy.

(iii) Catch Basins

There are no catch basins fronting the property.

(iv) Street Lighting

There are no street lamps fronting the property.

(v) Conformity with local jurisdiction having authority

Existing paving and curbs conform with the local jurisdictions having authority.

(d) UTILITIES

Water is provided by the City of New York, and will be collectively metered and billed as a common charge. Natural Gas is provided by Consolidated Edison Company (Con Ed) for cooking, hot water and heating and is individually metered. Individual gas meters service the cooking equipment and furnaces located within the residential dwelling units, hot water heaters located within the mechanical room on the roof, and each unit will be billed directly by Con Ed. Electricity is provided by Con Ed and each unit is separately metered and billed directly by Con Ed. A common electric meter services the halls and common areas of the building and shall be common charge. Telephone service is provided by the Verizon Company, and each unit is billed directly. Sanitary waste and storm water runoff will be carried from the building into the New York City Sewer System. Sewer is billed collectively under the water service by NYC Department of Environmental Protection (DEP). Services to the common areas such as the common electric meter (PLP Meter) and common gas meter (House Meter) shall be the responsibility of the condominium association.

(e) SUB-SOIL CONDITIONS

The water table was encountered to a depth of 9' below grade. Special consideration and all necessary measures were taken to design a waterproof cellar foundation and slab. The structural engineer has designed a reinforced concrete slab to withstand any hydrostatic pressure from ground water and a waterproofing admixture was included into the concrete design mix to ensure no water can permeate the concrete. No unusual water conditions such as flooding, ponding, or wetness were observed in the area, and no water was apparent on the surface. There is no evidence of subterranean insect activity, such as termites, carpenter ants, powder post beetles, etc.

- (1) There is no evidence of uneven foundation movement, heaving, or settlement.
- (2) There was no evidence of dampness, mold, moisture seepage or ground water infiltration in the cellar after the installation of the foundation and structural mat slab.
- (3) There is no danger from flooding, either due to water table in this area or overflow from other bodies of water. There is no potential for mudslides or erosion. The site is not designated as a flood zone by any local or federal agencies. To the best of my knowledge, the site has not been flooded in the last ten years. The building is located in a FEMA Zone X district. Zone X is determined to be outside the .2% annual chance floodplain. The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will also be a 2" x 2'-0" continuous perimeter insulation. There will be gravel and compacted earth fill adjacent to the foundation walls. There will be no drainage pipe at the footings.

(f) LANDSCAPING AND ENCLOSURES

There is no front yard, within the lot. The rear yard shall to be enclosed with lot lines. Adjacent to the rear of the building, there shall be an areaway to be constructed of concrete masonry units. An area drain will be located within this area to allow for proper storm drainage. It shall be accessible from the cellar level of Apartment 1. The rear yard adjacent to the areaway will be accessed from steps up from the cellar level area.

(1) GRASS COVER

There is grass cover proposed within the upper rear yard area.

(2) PLANTING

There is no proposed planting.

(3) TREES

There is one (1) required street tree to be planted along the sidewalk. The condominium association will maintain all paving on the property and the fronting sidewalk.

(4) FENCING

The rear yard perimeter will be fenced with 6'-0" high pressure treated wood fence to be installed along the left and the right side of the rear yard and metal railing separating the lower and upper rear yard. Masonry walls finished with brick and/or stucco to enclose the cellar level areaway at a height of 8'-0".

(5) GATES

Gates are not proposed.

(6) GARDEN

Gardens are not proposed.

(7) RETAINING WALLS

There will be a retaining wall separating the lower and upper rear yard. Retaining wall will be constructed of masonry and finished with brick to match the building.

(8) DISPLAY POOLS AND FOUNTAINS

Display pools and fountains are not proposed.

(g) BUILDING SIZE, FLOOR AREA & DWELLING UNITS

There is one (1) building, with a cellar level and four (4) stories plus mezzanine. The building shall contain eight (8) residential dwelling units.

The approximate total gross floor area of the building is 8,591.68 sf., which includes residential spaces as follows:

Cellar	= 1663.23	sq.ft.	Approx. 9'-0" slab to ceiling height
First Floor	= 1579.31	sq.ft.	Approx. 9'-0" slab to ceiling height
Second Floor	= 1593.47	sq.ft.	Approx. 9'-0" slab to ceiling height
Third Floor	= 1593.47	sq.ft.	Approx. 9'-0" slab to ceiling height
Fourth Floor	= 1593.47	sq.ft.	Approx. 9'-0" slab to ceiling height
Fourth Floor Mezz	= 568.73	sq.ft.	Approx. 9'-0" slab to ceiling height

The total number of residential units are as follows:

First Floor	= 2 D.U.s	Studio, 1BR
Second Floor	= 2 D.U.s	1 BR, 1BR
Third Floor	= 2 D.U.s	1 BR, 1BR
Fourth Floor	= 2 D.U.s	2 BR, 2BR

TOTAL = 8 Dwelling Units

Located in the building are various mechanical/equipment rooms as follows:

Gas Meter Room	Cellar
Electric Meter Room	Cellar
Mechanical (HWH)	Roof
Trash Storage Room	Cellar

(1) TOTAL HEIGHT (APPROXIMATE TOTAL FEET FROM GROUND LEVEL TO HIGHEST PART OF THE ROOF)

The total building height shall be 50'-0" measured from the base plane to the top of the roof.

(2) NUMBER OF SUB-CELLAR AND CELLARS

There is one (1) cellar and zero (0) sub-cellars.

(3) NUMBER OF FLOORS (ACTUAL INCLUDING PENTHOUSES)

There are five floors in this building which includes the cellar, first floor, second floor, third floor, fourth floor and fourth floor mezzanine.

(4) EQUIPMENT ROOMS (LOCATION AND USE)

There is one mechanical closet in every apartment housing a furnace for heating and cooling. There is a mechanical room on the roof housing domestic hot water tanks for all units.

(5) PARAPET (HEIGHT ABOVE ROOF)

A parapet wall will be constructed at the perimeters of the roofs. The height of the parapet wall shall be 42" high above the roof finish.

(h) STRUCTURAL SYSTEMS

The building columns and floors are constructed of reinforced concrete. The building shall be non-combustible exterior walls, Construction Class II-A. The building foundation shall be poured concrete with minimum wall thickness of 12 inches. A small section of underpinning, about 16'-6" in length, was performed under the footing of the adjacent building located at 27-23 extending to a depth of about 6'-8" below the existing foundation. The exterior walls at the property lines shall be concrete masonry units. The exterior walls facing the street and rear yard shall 6" metal frame and brick veneer. The cellar slab and typical floor construction shall be of poured in place reinforced concrete slabs. The cellar floor slab consists of a 24" thick poured concrete mat slab with #7 rebars @ 12" O.C. top and bottom in both directions over a 6 millimeter vapor barrier and 6" compacted gravel. The slabs on the typical floor construction will be 8" thick with rebars top and bottom. The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls. There will be no drainage pipe at the footings.

(1) EXTERIOR OF BUILDINGS

(i) Walls

The exterior front wall shall be comprised of non-load bearing metal studs with an exterior finish using an exterior sheathing, rigid insulation, waterproofing membrane and porcelain wall panel exterior finishing system manufactured by "Florim". The exterior rear wall shall be comprised of non-load bearing metal studs with an exterior finish using an exterior sheathing, rigid insulation, waterproofing membrane and EIFS system. Weep holes and copper flashings will be provided to prevent water intrusion. The side walls shall be masonry construction, furred out for cavity batt insulation, R-13, and continuous rigid insulation on the exterior face having an R-10, and finished with brick. Local Law 10 of the City of New York is not applicable at this time. All exterior walls are 2-hour rated assemblies with minimum STC rating of 52.. The floor and roof assemblies shall have an STC rating of 50 comprising of building materials. Floor constructions separating dwelling units from another dwelling unit shall have a minimum impact rating (INR) of zero (0) as per New York City Building Code. All windows and doors (fenestrations in the building exterior walls) shall be double glazed with complete perimeter weather seals.

(ii) Windows

Casements, custom manufactured by Master Architectural Metal & Glass Co. will be installed throughout. Windows throughout the property (front and rear) shall be new windows with thermal break, double-glazed, low E, argon gas filled insulated, bronze anodized aluminum. Window shall have stone sills with steel lintels. All exposed steel will be treated with anti-corrosive spray and painted with matte black

exterior grade paint. Child safety window guards shall not be installed by the sponsor. Window screens will not be installed by the sponsor. The windows exceed the requirements for the air and light.

I. LIMITED WARRANTY FOR RESIDENTIAL PRODUCTS. This Limited Warranty for Wood/Clad Products (the "Limited Warranty") is provided by Sierra Pacific Windows ("SPW"), on the terms and conditions set forth herein solely for Residential Products as described herein.

A. General Eligibility of Residential Products. Subject to the other terms and conditions set forth herein, Residential products eligible for coverage under this Limited Warranty are limited to certain residential wood and clad window and door products which were (1) manufactured by SPW on or after May 1, 2017, (2) purchased from a SPW salesperson or an authorized dealer of SPW, (3) installed in a single family detached dwelling unit in the United States or Canada in a good and workmanlike manner in accordance with any installation instructions or other specifications of SPW, and (4) satisfying the other terms, conditions and restrictions contained herein ("Residential Products"). Notwithstanding anything contained herein to the contrary, the Limited Warranty shall not apply to, and SPW does not warrant, any Residential Product which is sold subject to another express or implied warranty, whether provided by SPW or a third party, or which is sold in "as-is" condition, as a sample or open box item, as a returned product, in defective, damaged, used, or previously sold condition or otherwise not in new, original and as-manufactured condition. This Limited Warranty is available to the original purchaser of an eligible Residential Product and it is transferable to a subsequent owner of the same real property in which such eligible Residential Product is installed, for the remaining warranty period of such eligible Residential Product as set forth herein.

B. Limited Warranty for AAMA 2605 Powder Coated Finishes.

i. Thirty (30) Year Limited Warranty for Cracking or Checking. Except as otherwise expressly provided herein, SPW warrants that the coating on the metal cladding in Residential Products will be free from cracking or checking, when observed at a distance of ten feet (10') from the metal surface and inspected at an angle of 90 degrees to the surface as set forth in AAMA 2605-11, resulting from defects in workmanship or materials for a period of thirty (30) years from the date of manufacture of such Residential Product.

ii. Twenty-Five (25) Year Limited Warranty for Color Change. Except as otherwise expressly provided herein, SPW warrants that Residential Products will be free from color change of more than seven (7) Delta E units in accordance with ASTM D2244 resulting from defects in workmanship or materials for a period of twenty-five (25) years from the date of manufacture of such Residential Product.

iii. Twenty (20) Year Limited Warranty for Color Change, Chalking, Adhesion Loss. Except as otherwise expressly provided herein, SPW warrants that the metal cladding in Residential Products will be free from color change of more than five (5) Delta E units in accordance with ASTM D2244, chalking in excess of a number eight (8) rating based on ASTM D4214, and adhesion loss (peeling), that materially and adversely affects the appearance of the surface to which the coating is applied when observed at a distance of ten (10) feet from the metal surface and inspected at an angle of 90 degrees to the surface as set forth in AAMA 2605-11, resulting from defects in workmanship or materials for a period of twenty (20) years from the date of manufacture of such Residential Product.

iv. Coverage Terms. This Limited Warranty for AAMA 2605 Powder Coated Finishes provides full coverage, in a manner consistent with Section III herein below, for fluoropolymer powder performance for the first twenty (20) years from date of manufacture. For the succeeding ten (10) years, SPW's responsibility for corrective action due to fluoropolymer powder failure will be: years 21 through 24 – 60%; years 25 through 27 – 25%; years 28 through 30 – 5%. Customers' percentage of responsibility for replacement product shall be calculated using current list price of items being replaced; customers' prorated

responsibility for cost of repair is based upon SPW's invoiced repair costs; refunds will be based upon original purchase price of the product.

C. Ten (10) Year Limited Warranty for AAMA 2604 Powder Coated Finishes: Except as otherwise expressly provided herein, SPW warrants that the coating on the metal cladding in Residential Products will be free from color change of more than five (5) Delta E units in accordance with ASTM D2244, chalking in excess of a number eight (8) rating based on ASTM D4214, and cracking, checking or adhesion loss (peeling), that materially and adversely affects the appearance of the surface to which the coating is applied when observed at a distance of ten (10) feet from the metal surface and inspected at an angle of 90 degrees to the surface as set forth in AAMA 2604-10, resulting from defects in workmanship or materials for a period of ten (10) years from the date of manufacture of such Residential Product.

D. Five (5) Year Limited Warranty for Anodized Finishes. Except as otherwise expressly provided herein, SPW warrants that all aluminum clad Residential Product that has been anodized will be free from chalking in excess of a number eight (8) rating based on ASTM D4214, or fading or change in color in excess of five (5) Delta E units based on ASTM D2244, each of which materially and adversely affects the appearance of the surface when observed at a distance of ten (10) feet from the metal surface and inspected at an angle of 90 degrees to the surface as set forth in AAMA 611-12, resulting from defects in workmanship or materials for a period of five (5) years from the date of manufacture of such Residential Product.

E. Two (2) Year Limited Warranty: Interior Finish. Except as otherwise expressly provided herein, SPW warrants that all factory-applied interior paint and stain finishes in Residential Products will be free from material Finish Defects for a period of two (2) years from the original date of manufacture of such Residential Product. For purposes of this Limited Warranty, a "Finish Defect" shall mean cracking, peeling, delaminating, blistering, flaking, chalking in excess of a numerical rating of six (6) (measured per ASTM D4214) or fading or change in color in excess of five (5) Delta E units (calculated per ASTM D2244).

F. Twenty (20) Year Limited Warranty: Wood Deterioration. Except as otherwise expressly provided herein, SPW warrants that the wood components of a Residential Product, regardless of wood type, shall be free from material wood deterioration caused by decay or insect, including wood rot, for a period of twenty (20) years from the original date of manufacture of such Residential Product.

G. Limited Warranty: Hermetic Seals. Except as otherwise expressly provided herein, SPW warrants the air seal in Residential Products as follows:

i. Twenty (20) Year Limited Warranty: Dual Insulated Glass Product. Except as otherwise expressly provided herein, SPW warrants that the Dual Insulated Glass Product supplied in its Residential Products will be free from the failure of the air seal due solely to defects in workmanship or materials for a period of twenty (20) years from the original date of manufacture of such Residential Product.

ii. Ten (10) Year Limited Warranty: Triple Insulated Glass Product. Except as otherwise expressly provided herein, SPW warrants that the Triple Insulated Glass Product supplied in its Residential Products will be free from the failure of the air seal due solely to defects in workmanship or materials for a period of ten (10) years from the date of manufacture of such Residential Product.

H. Ten (10) Year Limited Warranty: FeelSafe™ and Laminated Glass. Except as otherwise expressly provided herein, SPW warrants that the SPW FeelSafe™ or Laminated Glass in its Residential Product will be free from any material obstructions of vision due to glass delamination from defects in workmanship or materials for a period of ten (10) years from the date of manufacture of such Residential Product.

I. Five (5) Year Limited Warranty: Specialty Glass. Except as otherwise expressly provided herein, SPW warrants that Residential Products with custom or special glazings and/or other specialty, custom or non-standard glass options not listed in our product literature or not generally and regularly manufactured by

SPW, and all leaded or decorative glass Residential Products, shall be free from defects in workmanship for a period of five (5) years from the original date of manufacture of such Residential Product.

J. Two (2) Year Limited Warranty: Glass Stress Cracks. Except as otherwise expressly provided herein, SPW warrants that all glass in its Residential Product shall be free from stress cracks from defects in workmanship or materials for a period of two (2) years from the date of manufacture of such Residential Product.

K. Ten (10) Year Limited Warranty: General. Except as otherwise expressly provided herein, SPW warrants that each Residential Product, including its wood components, hardware, weatherstrip and standard screens which accompany the Residential Product (the "Components"), will be free from defects in workmanship or materials which unreasonably affect such Residential Product's normal functioning for a period of ten (10) years from the original date of manufacture of such Residential Product.

L. One (1) Year Limited Warranty: Specialty Screens. Except as otherwise expressly provided herein, SPW warrants that specialty screens (e.g. retractable screens, swing door screens) manufactured by others, not by SPW, for a Residential Product will be free from defects in workmanship or materials which unreasonably affect such specialty screen's normal functioning for a period of one (1) year from the earlier of the original date of manufacture of such specialty screen or the date of manufacture of such Residential Product.

(iii) Landmark status

Landmark status does not exist on this property

(2) PARAPETS AND COPINGS

There shall be 42" high parapet walls on the roof terrace built in the same manner as the exterior walls and capped with aluminum coping, secured in place.

(3) CHIMNEYS AND CAPS

There are no metal flue type chimneys in this building as the heating system is an electric heat pump style that does not require a chimney. Water heaters are located at the roof level and are direct-vent type with CPVC piping extending 3'-0" above the bulkhead roof and are terminated with gooseneck.

(4) BALCONIES AND TERRACES

There shall be a balcony and/or terrace accessible from each apartment for enjoyment.

(i) Deck Finish (material)

All balconies shall be finished with non-slip polished concrete, stepped down from the level of its respective apartments. All terraces shall be finished with non-slip Hanover stone pavers, stepped down from the level of its respective apartments.

(ii) Balustrade (type, material)

Balustrades are not proposed on this property.

(iii) Railings (material)

Balconies shall be protected at the perimeter with wrought iron rails and posts with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The maximum spacing between horizontal mullions of the railings shall be four inches (4") and oriented vertically so as not to create a "ladder effect" as required by the N.Y. City Building Code.

(iv) Copings (material)

Aluminum coping will cap the 42" high parapet walls on the fourth floor mezzanine terrace and the roof.

(v) Soffits (material)

The soffits of the balconies covered by another balcony will be finished with polished concrete.

(vi) Doors to balconies and terraces (type, material)

The doors to balconies and terraces, manufactured by Master Architectural Metal & Glass Co., shall be folding glass doors at the First floor rear terrace and French doors at the third, fourth, and fifth floor

apartments, bronze anodized aluminum, double-glazed, low E, and argon filled. The door shall have thermal breaks and complete perimeter weather seals with sweeps at the bottom.

(vii) Drains and Emergency Overflow:

- (5) Primary roof drains will be centrally located on the roof are, controlled flow, cast iron, roof drains connected to vertical, cast iron leaders located at the roof terraces above the first and fourth floor levels. Overflow roof drains are located toward the corners of the roof areas. The roof drains and leaders will be connected to the building's storm drainage system. There will be no supplemental leak management system in place other than waterproofing and drainage as specified.(EXTERIOR ENTRANCES

(i) Exterior doors and frames (material, type, lock)

There is one (1) exterior front entrance to the building located at street level. The entrance door shall be framed with thermal break, full glazing, bronze anodized aluminum. The door shall be equipped with self-closer and locking device allowing public access to the main entrance hall of lobby as per MDL-50. The door shall have complete perimeter weather seals with sweeps at the bottom. The entrance shall be ADA compliant, free of tripping hazard and free from ponding. The walkway at the front entrance is sloped uniformly away from the building.

(ii) Vestibule doors and frames (material, type, lock)

There is no vestibule separating the exterior door and the common hallway.

(iii) Exterior stairs (material, location)

There will be one exterior poured concrete stair leading from the rear cellar entrance to the upper portion of the rear yard.

(iv) Railings (material, location)

There will be a railing providing fall protection between the upper rear portion of the rear yard and the excavated private lower portion of the rear yard adjacent to the cellar portion of unit 1B. The maximum spacing between horizontal mullions of the railings shall be four inches (4") and oriented vertically so as not to create a "ladder effect" as required by the N.Y. City Building Code.

(v) Mail boxes (type, location)

U.S.P.O. approved type mailboxes will be provided for each unit at a central location in the common entry lobby area at the first floor level level.

(vi) Lighting (type, location)

The entrance shall be well lit with incandescent exterior grade fixture and comply with MDL-35.

(6) SERVICE ENTRANCES

Service entrances are not required and are not provided for this building.

(i) Doors and frames (material, type, lock)

(ii) Gates (material, type, lock)

(iii) Exterior stairs (material, location)

(iv) Railings (materials, locations)

(7) ROOF AND ROOF STRUCTURES

The sponsor will not provide NDL (No Dollar Limit) manufacturer's warranty, see special risks. There shall be a parapet wall around the perimeter of the roof 42" high constructed in the same manner as the exterior walls which it protrudes from, capped with stone coping as selected by the sponsor. All exterior metals, including fasteners shall be corrosion resistant.

(i) Type of roof for all areas:

(a) Material;

The roof shall be waterproofed with Firestone 180 or approved equal torched down rubber roof, loose laid.

(b) Insulation (size, type and insulating value if available);

Roof insulation consists of 5" of Polyisocyanurate insulation R-25, or other manufacturer acceptable insulation consisting of 1/2" cover board over tapered insulation sloping 1/8" per foot to area drain, over two layers of thermal insulated adhered onto primed roof substrate.

(c) Surface finish:

The roof terraces shall be finished with non-slip Hanover stone pavers and will withstand daily foot traffic.

(d) Bond or guarantee:

No bond or guarantee other than the one (1) year warranty on all construction material and workmanship will be furnished.

(e) Flashing materials including counter flashing

- (ii) The perimeter of the roof areas at parapet walls shall be fitted with copper flashing and counter flashing. Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed with galvanized steel or stainless steel base and cap flashing. Drains:

Primary roof drains will be centrally located on the roof are, controlled flow, cast iron, roof drains connected to vertical, cast iron leaders located at the roof terraces at the fourth floor mezzanine and roof levels. Overflow roof drains are located toward the corners of the roof areas. The roof drains and leaders will be connected to the building's storm drainage system. There will be no supplemental leak management system in place other than waterproofing and drainage as specified.

(iii) Skylights (location, type, material)

There are no skylights proposed for this building.

(iv) Bulkheads:

(a) Stairs:

There is a stair bulkhead with a window on the roof serving the roof terrace for the common element as well as the limited common elements for all units. The walls of the bulkhead, having two (2) hour fire rated, framed with 16 gauge metal studs with 6" cavity insulation having an R-value of 21, gyp.bd on the interior side with painted finish, and brick finish on the exterior.

(b) Elevator:

There is one elevator proposed in this building provided.

(c) Other:

There are no other bulkhead on this building.

(v) Metal work at roof levels:

(a) Exterior, metal stairs:

Exterior metal stairs shall be treated with anti-oxidizing agent, and finish painted matt black, exterior grade.

(b) Vertical ladders, including gooseneck (material):

There is one vertical ladder from the roof terrace to the bulkhead roof. The vertical ladder shall be wrought iron treated with anti-oxidizing agent, and finish painted matt black, exterior grade.

(c) Railings (material):

There are no railings proposed at the roof level.

(d) Hatches to roof (type, material):

There are no roof hatched proposed on this building.

(e) Other:

There are condenser units on the roof of the bulkhead. The condensers are mounted to pre-fabricated metal curbs with vibration isolators. There will be no rooftop antennae, cell phone towers, satellite dishes, lightning protection equipment, etc. or other structures at the roof areas.

(vi) Rooftop facilities

The rooftop terrace shall be accessible exclusively for the owners of units 2A, 3A for recreation. 100% of the roof at this level is used as accessory to the residential use listed on the Certificate of Occupancy, and are in compliance with the NYC Zoning and Building Code. There will be new six foot (6'-0") stained CCA wood fencing separating the recreation spaces.

Rooftop has been designed to provide access for the Fire Department in compliance with FC 504.4 (Rooftop Access)

(8) FIRE ESCAPES

Fire escapes are not proposed.

- (i) Location (describe how attached and supported);
- (ii) Floors covered;
- (iii) Drop ladder;
- (iv) Type;
- (v) Materials;

(9) YARD AND COURTS

The rear portion of the rear yard is for the use of Unit 1 exclusively, accessed directly from the unit. The front portion of the rear yard is excavated down to the cellar level, adjacent to the rear of the building and is for use by unit 1 exclusively, accessed directly from the unit.

There is no front yard, within the lot.

- (i) Paving;
The front (lower) portion of the rear yard shall be finished with polished concrete.
- (ii) Drainage (type and material);
There are two (2) cast iron area drains in the lower portion of the rear yard.
- (iii) Railings (material);
All railings are steel and glass treated with anti-oxidizing agent and finish painted matt black, exterior grade.
- (iv) Stairs (material);
The stair from the cellar level to the upper portion of the rear yard shall be poured concrete.
- (v) Fencing (type and material);
The rear yard perimeter will be fenced with masonry walls finished with brick and stucco to match the building to a height of 8'-0" above grade. 6'-0" high pressure treated wood fence will be installed along the left and the right side of the rear yard and separating the lower and upper rear yard.
- (vi) Walls (type and material);
There will be a retaining wall separating the lower and upper rear yard. Retaining wall will be constructed of masonry and finished with brick to match the building

(10) INTERIOR STAIRS

- (i) Number of stairs of each type;
There shall be one public interior stair in the building leading from the cellar floor to the roof as permitted by NYC BC 1021.2 for buildings of R-2 occupancy, of construction Type I or II not exceeding six stories and not exceeding 2,000 sf per story. There will be one code-compliant private stair connecting the cellar and 1st floor of apartment 1, constructed of poured reinforced concrete and metal railings. There will be one code-compliant private stair connecting the 4th floor and 4th Floor Mezzanine levels in each of apartments 4A & 4B, constructed of steel pan and stringers with wood treads and metal railings.
- (ii) Enclosure (construction and interior finishes);
The stair enclosure shall be of non-combustible construction. The interior of the stairwell will be finished with polished concrete and finish paint on partitions (gypsum board).
- (iii) Stair construction (material);

The interior stairs will be of non-combustible poured reinforced concrete construction.

(iv) Guard rails (material):

The handrails are wrought iron with matt black finish paint.

(v) Balustrade (material):

The balustrades are wrought iron with matt black finish paint.

(11) INTERIOR DOORS AND FRAMES

(i) Unit entrance and interior doors and frames:

Intercom system shall be provided as per MDL-50 to allow communication and access to the building. Apartment entry doors shall be FPSC 1.5 HR, self-closing with cylinder lock, security lock and BSA approved peephole, and shall have an STC rating of 35. The frame for all unit entrance door will be metal frame. Self-closing hinges are manufactured by "Stanley" or equal and are painted alongside the steel doors. Mortise locks are "Marks" or equal and have a black finish. Doors within the units are wood slab style doors. Jambs and bucks are wood. All doors shall have a painted finish. Hinges shall be black, four inches "Stanley" or equal. Locksets shall be black levers, "Emtek" or equal. Bedroom and closet doors shall have passage hardware and all bathrooms and toilet rooms shall have privacy locks.

(ii) Corridor doors and frames:

Corridor doors shall be fireproof solid core metal doors with a minimum fire rating of one and one-half (1½) hours with metal frames, self-closing. Self-closing hinges are manufactured by "Stanley" or equal and are painted alongside the steel doors.

(iii) Stair hall doors and frames:

Stair hall shall be fireproof solid core metal doors with a minimum fire rating of one and one-half (1½) hours with metal frames, self-closing. Self-closing hinges are manufactured by "Stanley" or equal and are painted alongside the steel doors.

(iv) Roof doors, basement doors and frames:

Roof and cellar doors shall be fireproof solid core metal doors with a minimum fire rating of one and one-half (1½) hours with metal frames, self-closing. Self-closing hinges are manufactured by "Stanley" or equal and are painted alongside the steel doors.

(12) ELEVATOR

(i) Number;

There will be one passenger elevator provided in the building.

(ii) Manufacturer & capacity;

The passenger elevator shall be manufactured by Schindler Elevator Corp. and shall have a capacity of approximately 2100 pounds. The elevator shall also be capable of accommodating approximately four persons at a time.

(iii) Type of Operation;

The elevator will be a hydraulic, holeless dual piston type elevator.

(iv) Automatic (Type of controls);

The elevator will be fully automatic. The elevator car shall be equipped with a self leveling feature that will automatically bring the car to floor landings independent of the operable part and shall correct for over travel and under travel.

(v) Floors served;

The elevator will serve the cellar through fourth floor levels of the building, as well as the roof above the fourth floor level.

(vi) Type:

The elevator will be a hydraulic, holeless dual piston type elevator.

(vii) Doors:

The elevator will be equipped with a single speed, automatic sliding door.

(viii) Location of machine rooms;

A machine room will be located adjacent to the elevator hoist way in a mechanical room at the cellar level.

Adequate fresh air intake will be provided for ventilation to protect against the overheating of the electrical equipment. The system shall be capable of maintaining temperatures within the range established for the elevator equipment as per NYC Building code section 28.2-3006.2

(ix) DC motor (manufacturer); There will be no DC motor.

(x) AC motor generator set (manufacturer);

The elevator will be powered by a 12.5 H.P. motor and will be provided with a 208 volt triple phase electrical supply.

The Sponsor reserves the right to provide elevator equipment by a different manufacturer which is equal to or better than noted above.

(xi) Other;

The elevator shall be ADA compliant.

An elevator maintenance contract will be transmitted to the sponsor prior to elevator sign off.

(13) ELEVATOR CAB

(i) The elevator cab shall be manufactured by Schindler Elevator Corp.

(ii) The floor shall be 1/4" Vinyl Composition FritzTile.

(iii) The walls shall be satin stainless steel and wood panel finish.

(iv) The ceilings shall be satin stainless steel finish.

(v) The elevator cab will have recessed lighting fixtures each with approximately sixty watts of incandescent illumination or its equivalent.

(vi) The elevator cab will be equipped with an emergency alarm and light and communication system.

The Sponsor reserves the right to install elevator equipment, finishes and alarm systems by a different manufacturer which are equal to or better than noted above.

(14) STRUCTURAL SYSTEM BETWEEN FLOORS

The floor assemblies are constructed of solid 8" poured concrete structural slabs with rebars, 3/4" thick plywood subfloor, and finished with T&G 3/4" thick hardwood floor. NRC tested a similar assembly, without the subfloor and finish hardwood floor, with ceramic tile. IIC 53, STC 60. (report no. B-3463.12, dated 8/27/2007).

(i) AUXILIARY FACILITIES

(1) LAUNDRY ROOM

(i) Location and number of rooms;

Each residential unit will be provided with a laundry closet within the unit with laundry standpipes and gas connection for clothes dryers.

- (ii) Clothes washers, number and type (e.g. heavy duty, coin operated, electric, gas);
Laundry appliance will not be provided by the sponsor. Any laundry equipment installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A approved.
- (iii) Clothes dryers (number and type);
Laundry appliance will not be provided by the sponsor. Any laundry equipment installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A approved
- (iv) Room ventilation (method and final exhaust)
The laundry closet will not be separately ventilated.
- (v) Dryer ventilation (method and final exhaust)
4" dryer dock, quick connect model 5000-1 will be provided at 18" above finish floor, connected to a 6" dia duct which will terminate above the roof for clothes dryer exhaust.

(2) REFUSE DISPOSAL

- (i) Incinerator(s)
There are no incinerators proposed for this property.
- (ii) Compactor(s)
There are no compactors proposed for this property.
- (iii) Approvals by authority having jurisdiction
Not applicable
- (iv) Initial storage location
Refuse disposal will be the responsibility of each individual unit's occupant. They will collect their own garbage and carry it to a receptacle area identified in a trash storage room located in the cellar. Either a superintendent, if hired by the condominium board, or occupants of the building will be required to place refuse from the trash storage room to the outside curb, where it will be collected by the New York City Sanitation Department
- (v) Pick-up schedule, and whether public or private provider
DSNY is scheduled to collect refuse on Monday, Wednesday, and Friday, DSNY is scheduled to collect recycling on Wednesday.

(3) Bike Storage:

There is no proposed Bicycle storage.

(4) Tenant Storage:

Accessory tenant storage rooms will be constructed of prefabricated steel wire-framed cages with keyed locking hardware for security and protection of unit owner's property. Each of the residential units has a storage room located in the cellar as limited common element.

(j) PLUMBING AND DRAINAGE

All supply and waste plumbing for the apartments shall be new including new risers.

(1) WATER SUPPLY

Water will be supplied to the units through connections from the New York City Water Distribution System. There shall be a 3" combined service entering the building with 1½" domestic take off. Each unit shall be supplied with cold water from minimum three-quarter (¾") inch copper piping. Domestic hot and cold water piping shall be "L" copper tubing. Water distribution system piping shall be of hard temper "K" copper tube below grade only. Hot and cold water pipes shall be insulated throughout with 1" foam pipe insulation.

(2) FIRE PROTECTION SYSTEM

The main shut off valve for the water is located in the cellar, sprinkler/water room. The automatic fire sprinkler system shall be serviced from 3" combined service entering the building supplied from the New York City Water Distribution System. The automatic fire sprinkler system shall be sized as required by NFPA13R. The water pressure is adequate to meet the requirements of the NFPA13R.

(i) Standpipes (material, size, location)

There are no standpipes proposed in this building.

(ii) Hose racks, hoses and nozzles (location)

There are no hose racks, hoses, and nozzles proposed in this building.

(iii) Sprinkler heads (type system, location)

The building is fully sprinklered as required by NFPA13R. Sprinkler heads shall be residential type, K 4.9, 155°F. as per NYC MEA 258-93-E, NYC B.S.&A no. 587-75-SA.

(iv) Siamese connection (type, location)

3"x3"x3" Fire department Siamese connection is provided on the front façade of the building, approximately 18"-36" above the level of the sidewalk.

(3) WATER STORAGE TANK(S) AND ENCLOSURES

There are no water storage tanks or enclosures on this property.

(i) Number, type, location of each

(ii) Material (interior, exterior and roof of tank)

(iii) Access to tank (e.g. vertical gooseneck ladder)

(iv) Capacity (total gallons)

(v) Capacity (fire reserve)

(4) WATER PRESSURE AND HOW MAINTAINED

Water pressure is adequate to meet peak hour demands of the building. The hydrant flow test was performed on April 9th, 2014 at 10:37AM. The static pressure taken on the north side of Maspeth Avenue, 2nd hydrant east of Bushwick Avenue was 51 pounds per square inch. The residual pressure at this point was 50 pounds per square inch when 500 gallons of water per minute were flowing from the north side of Richardson Street, 2nd hydrant east of Bushwick Avenue. No pressure test is required at this time, but upon the project's completion, the domestic water pressure will be verified as adequate at the highest story. A pressure test will be performed if deemed necessary at that time.

(5) SANITARY SEWAGE SYSTEM

There will be new underground piping provided beneath the cellar slab and will connect to a new house trap. Sanitary shall be 6" XHCI connected to combined city sewer system. All sanitary piping from the basement through roof has natural flow. The invert of the city's combined sewer system is above the level of the cellar. Drainage from the plumbing fixtures located at the cellar level is connected to an ejector pump, Zoeller ½HP Shark Grinder Package, which will be connected to the sewer discharge. The sanitary waste will be conveyed to the New York City sewer system via schedule 40 PVC sewer pipes located throughout the building, which leads to an extra heavy cast iron house trap. The house trap is located in the cellar area towards the front of the building. Beyond the house trap there is extra heavy cast iron pipe conveying the sewage to a 6" sanitary drain. The 6" sanitary drainpipe is then connected to an existing combined sewer located in the roadway beneath Richardson Street. PVC waste piping throughout the building is a combination of 4" riser piping and 2", 3", and 4" cast iron branch piping. Sponsor represents that the waste lines shall be free from any defects or leaks at the time of completion of building. Any required repairs shall be performed by a licensed plumber prior to the first closing.

(6) PERMITS REQUIRED

Plumbing and sprinkler permits will be obtained under Permit no. 421235504-PL, 421347661-SP

(7) **STORM DRAINAGE SYSTEM**

The onsite, storm drainage system will consist of; controlled flow roof drains connected to vertical, internal, cast iron leaders; exterior area drains.

The run-off from the surface and roof areas will be conveyed to the new 4" extra heavy, cast iron, horizontal, storm drain will be tied into a new 6" site connection to NYC combined sewer. The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) **Catch basins;**

Catch basins are located in the public roadway along 27th Street and have been installed and designed by and to the standards of the N.Y. City Department of Transportation. Catch basins are constructed of concrete with steel grating covers.

(ii) **Yard and roof drains;**

There will be controlled flow, cast iron roof drains connected to vertical, cast iron leaders, located at the roof above the first, and fourth floors of the building. The roof drains will be connected to the building's storm drainage system.

Piping; Interior vertical drain pipes shall be of cast iron.

(iii) **Ejector or sump pumps;**

There will be a sump pump in the building located in the elevator pit. The sump pump shall be model number 1-1/2P-1/3-4 as manufactured by Liberty Pump Corporation. Each pump will have a capacity of approximately 20 G.P.M. against a total dynamic head of 20 feet and will be equipped with a 1/3 HP motor. The submersible sump pump has a one year manufacturer's warrantee furnished by Liberty Pump Corporation.

(k) **HEATING**

MECHANICAL DATA						
DESCRIPTION	QTY	MAKE	MODEL	COOLING CAPACITY	HEATING CAPACITY	SEER
Indoor Wall-mounted Air Handler	2	Mitsubishi	MSZ-GL06NA	6,000 BTU	7,200 BTU	24.6
Indoor Wall-mounted Air Handler	5	Mitsubishi	MSZ-GL09NA	9,000 BTU	10,900 BTU	24.6
Indoor Wall-mounted Air Handler	4	Mitsubishi	MSZ-GL12NA	12,000 BTU	14,400 BTU	23.1
Indoor Wall-mounted Air Handler	3	Mitsubishi	MSZ-GL15NA	14,000 BTU	18,000 BTU	21.6
Indoor Wall-mounted Air Handler	2	Mitsubishi	MSZ-GL18NA	18,000 BTU	21,600 BTU	20.5
Outdoor Single-zone Condensing Unit	1	Mitsubishi	MUZ-GL15NA	14,000 BTU	18,000 BTU	21.6
Outdoor Multi-zone Condensing Unit	2	Mitsubishi	MXZ-3C24NA2	23,600 BTU	25,000 BTU	20.0
Outdoor Multi-zone Condensing Unit	1	Mitsubishi	MXZ-3C30NA2	28,400 BTU	28,600 BTU	19.0
Outdoor Multi-zone Condensing Unit	2	Mitsubishi	MXZ-5C42NA2	40,500 BTU	45,000 BTU	19.7

LIMITED WARRANTY STATEMENT

Mitsubishi Electric M-Series Split Air-conditioner and Heat-pump Systems

Subject to the terms and conditions of this Limited Warranty, the Cooling & Heating Division of MITSUBISHI ELECTRIC US, INC. ("MEUS") warrants to the original purchaser of this M-Series product purchased on or after April 1, 2015 from a licensed HVAC contractor and installed by such contractor in the continental United States, Alaska and Hawaii, that:

A. The parts are warranted for a period of five (5) years to the original owner of the System. If any parts should prove defective due to improper workmanship and/or material for a period of five (5) years from the date of installation, MEUS will replace any defective part without charge for the part. Replacement parts are warranted for the remainder of the original 5-year warranty period. Parts used for replacement may be of like kind and quality and may be new or remanufactured. Defective parts must be made available to MEUS in exchange for the replacement parts and become the property of MEUS.

- B. The compressor is warranted for a period of seven (7) years to the original owner of this System. If the compressor should prove defective due to improper workmanship and/or material for a period of seven (7) years from the date of installation, MEUS will replace the defective compressor without charge for the compressor. Replacement compressors are warranted for the remainder of the original 7-year warranty period. Compressors used for replacement may be of like kind and quality and may be new or remanufactured. Defective compressors must be made available to MEUS in exchange for the replacement compressor and become the property of MEUS
- C. Notwithstanding the foregoing, if the System is installed in a residential single-family home and registered within 90 days from installation, the parts and compressor will be warranted for a period of 10 years, to the original owner, so long as the original owner resides in the home. Specifically, if any parts and/or the compressor should prove defective due to improper workmanship and/or material for a period of ten (10) years from the date of installation, MEUS will replace any defective parts or compressor without charge for the part or compressor. The replacement parts and/or compressor are warranted for the remainder of the original 10-year warranty period. Parts and/or compressors used for replacement may be of like kind and quality and may be new or remanufactured. Defective parts and/or compressors must be made available to MEUS in exchange for the replacement parts and become the property of MEUS.
- D. Notwithstanding the foregoing, if the System is installed in a residential single-family home by a MEUS DIAMOND CONTRACTOR and registered within 90 days from installation, the parts and compressor will be warranted for a period of 12 years, to the original owner, so long as the original owner resides in the home. Specifically, if any parts and/or the compressor should prove defective due to improper workmanship and/or material for a period of twelve (12) years from the date of installation, MEUS will replace any defective parts or compressor without charge for the part or compressor. The replacement parts and/or compressor are warranted for the remainder of the original 12-year warranty period. Parts and/or compressors used for replacement may be of like kind and quality and may be new or remanufactured. Defective parts and/or compressors must be made available to MEUS in exchange for the replacement parts and become the property of MEUS.
- E. NO LABOR. These limited warranties do NOT include labor or any other costs incurred for service, maintenance, repair, removing, replacing, installing, complying with local building and electric codes, shipping or handling, or replacement of the System, compressors or any other parts. For items that are designed to be maintained or replaced by the original owner, the original owner is solely responsible for all labor and other costs of maintaining, installing, replacing, disconnecting or dismantling the System and parts (such as filters or belts) in connection with owner-required maintenance. Air filter cleaning and/or replacement for each applicable indoor unit are owner-required maintenance, and labor for this procedure is not covered under warranty. Please consult the applicable technical documentation for air filter cleaning and other maintenance procedures.
- F. PROPER INSTALLATION. This Limited Warranty applies only to Systems that are installed by contractors who are licensed for HVAC installation under applicable local and state law, and who install the Systems in accordance with (i) all applicable building codes and permits; (ii) MEUS's installation and operation instructions; and (iii) good trade practices
- G. REGISTRATION. To receive certain benefits under this Limited Warranty, as set forth in more detail above, the product must be registered within 90 days of installation. To register, the original owner may complete and return the postage-paid registration card by U.S. mail or may register the product online at www.mitsubishicomfort.com. MEUS Diamond Contractors may submit product registration information online via the extranet portal. Residents of California or Quebec need not register the product to receive warranty benefits, but are encouraged to do so.

BEFORE REQUESTING SERVICE, please review the applicable technical documentation to insure proper installation and correct customer control adjustment for the System. If the problem persists, please arrange for warranty service.

1) TO OBTAIN WARRANTY SERVICE:

a. Contact the licensed contractor who installed the System or the nearest licensed contractor, dealer or distributor (whose name and address may be obtained on our website at www.mehvac.com) of any defect within the applicable warranty time period.

b. Proof of the installation date by a licensed contractor is required when requesting warranty service. Present the sales receipt, building permit or other document which establishes proof and date of installation. In the absence of acceptable proof, this Limited Warranty shall be deemed to begin one hundred twenty (120) days after the date of manufacture stamped on the System.

c. This Limited Warranty applies only to Systems purchased on or after April 1, 2015, only while the System remains at the site of the original installation, and only to locations within the continental United States, Alaska and Hawaii.

2) THIS LIMITED WARRANTY DOES NOT COVER: property damages, malfunction or failure of the System, or personal injury caused by or resulting from: (a) accident, abuse, negligence or misuse; (b) operating the System in a corrosive or wet environment, including those containing chlorine, fluorine or any other hazardous or harmful chemicals or environmental factors, including sea- or salt-water; (c) installation, alteration, repair or service by anyone other than a licensed contractor or other than pursuant to the manufacturer's instructions; (d) improper matching of System components; (e) improper sizing of the System; (f) improper or deferred maintenance contrary to the manufacturer's instructions; (g) physical abuse to or misuse of the System (including failure to perform any maintenance as described in the Operation manual such as air filter cleaning, or any System damaged by excessive physical or electrical stress; (h) Systems that have had a serial number or any part thereof altered, defaced or removed; (i) System used in any manner contrary to the Operation Manual; (j) freight damage; or (k) damage caused by force majeure or other factors such as power surge damage caused by lightning and fluctuations in or interruptions of electrical power.

3) THIS LIMITED WARRANTY ALSO EXCLUDES: (a) SERVICE CALLS WHERE NO DEFECT IN THE SYSTEM COVERED UNDER THIS WARRANTY IS FOUND; (b) System installation or set-ups; (c) Adjustments of user controls; (d) Systems purchased or installed outside the continental United States, Alaska and Hawaii; or (e) Systems purchased or installed prior to April 1, 2015. Consult the operating instructions for information regarding user controls.

4) This Limited Warranty shall not be enlarged, extended or affected by, and no obligation or liability shall arise or grow out of, MEUS providing, directly or indirectly, any technical advice, information and/or service to original owner in connection with the System.

5) EXCEPT AS OTHERWISE PROVIDED IN THIS LIMITED WARRANTY, MEUS MAKES NO OTHER WARRANTIES OF ANY KIND WHATSOEVER REGARDING THE SYSTEM. MEUS DISCLAIMS AND EXCLUDES ALL WARRANTIES NOT EXPRESSLY PROVIDED HEREIN AND ALL REMEDIES WHICH, BUT FOR THIS PROVISION, MIGHT ARISE BY IMPLICATION OR OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND OF FITNESS FOR ANY PARTICULAR PURPOSE. NO ONE IS AUTHORIZED TO CHANGE THIS LIMITED WARRANTY IN ANY RESPECT OR TO CREATE ANY OTHER OBLIGATION OR LIABILITY FOR MEUS IN CONNECTION WITH THE SYSTEM. MEUS DISCLAIMS ALL LIABILITY FOR THE ACTS, OMISSIONS AND CONDUCT OF ALL THIRD PARTIES (INCLUDING, WITHOUT LIMITATION, THE INSTALLING CONTRACTOR) IN CONNECTION WITH OR RELATED TO THE SYSTEM.

6) UNDER NO CIRCUMSTANCES SHALL MEUS BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, INFRINGEMENT OF THIRD PARTY RIGHTS, LOST GOODWILL, LOST REVENUES OR PROFITS, WORK STOPPAGE, SYSTEM FAILURE, IMPAIRMENT OF OTHER GOODS, COSTS OF REMOVAL AND REINSTALLATION OF THE SYSTEM, LOSS OF USE, INJURY TO PERSONS OR PROPERTY ARISING OUT OF OR RELATED TO THE SYSTEM WHETHER BASED ON BREACH OF WARRANTY, BREACH OF CONTRACT, TORT OR OTHERWISE, EVEN IF MEUS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. IN NO EVENT SHALL MEUS'S LIABILITY EXCEED THE ACTUAL PURCHASE PRICE OF THE SYSTEM WITH RESPECT TO WHICH ANY CLAIM IS MADE.

7) SOME STATES DO NOT ALLOW LIMITATIONS ON WARRANTIES OR EXCLUSIONS OR LIMITATION OF DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY.

8) DISPUTE RESOLUTION. For any dispute with MEUS, you agree to first contact us by phone (800-433-4822) or e-mail (CustomerCare@hvac.mea.com) or U.S. Mail at Mitsubishi Electric US, Inc., ATTN: Customer Care, 1340 Satellite Blvd., Suwanee, GA 30024, and attempt to resolve the dispute with us informally by providing your name, address, and contact information and describing the nature of the dispute. In the unlikely event that MEUS has not been able to resolve a dispute with you within 60 days of your original informal claim (or sooner if, in MEUS's opinion, a dispute is not likely to be resolved within 60 days), we each agree to resolve any claim, dispute, or controversy arising out of or in connection with or relating to this Limited Warranty, or the breach or alleged breach thereof (collectively, "Claims"), by binding arbitration before an arbitrator from Judicial Mediation and Arbitration Services ("JAMS") located in Gwinnett County, Georgia. JAMS may be contacted at www.jamsadr.com and will require you to pay an initial filing fee set by JAMS (unless you successfully apply for a waiver of this fee from JAMS). All other JAMS costs associated with the arbitration will be borne by MEUS. The arbitration will be conducted in Gwinnett County, Georgia, unless you request an in-person hearing where you live, or if you and MEUS agree otherwise. If the arbitrator decides in your favor, the award may include your costs of arbitration, your reasonable attorneys' fees and your reasonable costs for any expert and other witnesses, and any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. If the arbitrator makes an award in your favor greater than MEUS's last written offer, MEUS will pay you the greater of the award or \$500, plus your reasonable attorney's fees, if any, and reimburse any reasonable expenses (including reasonable expert witness fees and costs) that are reasonably accrued for investigating, preparing, and pursuing your claim in arbitration, as determined by the arbitrator or as agreed to by you and MEUS. Any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. You may sue under state law in a small claims court of competent jurisdiction without first engaging in arbitration, but you must engage in arbitration before suing under the Federal Magnuson-Moss Act.

9) All claims must be brought in the parties' individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. This waiver applies to class arbitration unless such arbitration is necessary to effectuate the enforcement of the court class action waiver or in the event that class arbitration is expressly agreed to by MEUS. You agree that you and MEUS are each waiving the right to a trial by jury or to participate in a class action.

10) You may opt-out of the foregoing arbitration and class action/jury trial waiver provision of this Limited Warranty by notifying MEUS in writing within 30 days of purchase. Such written notification must be sent to Mitsubishi Electric US, Inc., ATTN: Legal, 5900-A Katella Avenue, Cypress, CA 90630, and must include (1) your name, (2) your address, (3) your warranted product's serial number, and (4) a clear statement indicating that you do not wish to resolve disputes through arbitration and demonstrating compliance with the 30-day time limit to opt-out.

11) If any clause herein is found to be illegal or unenforceable, that clause will be severed from this Limited Warranty and the remainder of the Limited Warranty will be given full force and effect. As noted above, if a class action waiver of both court and arbitration class actions is found unenforceable, class arbitration will be expressly allowed under the Limited Warranty.¹

2) Residents of California and Quebec do not need to register the product in order to get all of the rights and remedies of registered original owners under this warranty.

13) This Limited Warranty gives the original owner specific legal rights and the original owner may also have other rights that vary from state to state.

14) This Limited Warranty is valid only in the continental United States, Alaska and Hawaii, and it is not transferable.

(1) HEATING AND DISTRIBUTION OF DOMESTIC HOT WATER

Heating will be distributed throughout each apartment by electric mini-split heat pump units. The systems shall be sized to provide adequate heating for each residential unit and maintain a minimum sixty-eight degrees Fahrenheit indoor temperature at zero degree outdoor temperature, as per New York City Building Code. Maintenance and eventual replacement of the HVAC equipment shall be the responsibility of the individual unit owners whose equipment requires repair. Sponsor shall also supply electric heaters for the common hallways and front portion of the cellar where the water main enters the building. The Sponsor reserves the right to provide heating by different manufacturers which are equal to or better than noted above. Operation and Maintenance (O&M) manuals shall be provided by the sponsor.

Hot water is supplied by individual Navien, model NPE-150S, direct-vent, gas-fired tankless domestic hot water heater units located within each unit inside a mechanical closet. The hot water heaters shall operate at minimum of 96% efficiency.

Limited Warranty:

Navien provides a Limited Warranty for its Products, to the end user, for defects arising out of the manufacturing process. This Limited Warranty covers the heat exchanger, component parts and labor. A copy of the Limited Warranty is attached hereto and may be modified by Navien from time to time at its sole discretion. Buyer shall maintain the sole obligation to deliver the Limited Warranty and this Agreement to all installers ("Installers") to whom the Products are sold or distributed.

(2) NUMBER OF BOILERS AND DESCRIPTION

There are no boilers in the building.

(3) MANUFACTURER AND AGE OF BOILER(S)

There are no boilers in the building.

(4) MANUFACTURER AND AGE OF FURNACE(S)

There are no furnaces in the building.

(5) TYPE OF CONTROLS

There is one (1) Nest Thermostat provided in each unit for independent control of HVAC units.

(6) RADIATORS, PIPING, INSULATION, VALVES, PUMPS

There are no radiators and no pumps in this building. Valves will be provided at all service points. Hot water pipes will be insulated as per NYC Plumbing Code and New York City Energy Conservation Code.

(7) FUEL

Natural gas, provided by local gas utility company.

(8) LOCATION OF OIL TANK, MATERIALS, ENCLOSURE

There are no oil tanks in/on this building.

(9) CAPACITY OF OIL TANK

Not applicable.

(l) **GAS SUPPLY**

(1) **TYPE**

Natural gas service shall be provided by the local gas company, currently National Grid Company. This gas is used for domestic cooking and hot water supply.

(2) **METERS**

Gas supply is separately metered for each unit. Meters are located in the front section of the cellar.

(3) **PIPING**

All gas piping is black iron. Gas main is 1½" black iron. Distribution piping is 3/4" and 1" black iron throughout the building. All fittings shall be malleable.

(m) **AIR CONDITIONING**

Air Conditioning shall be distributed throughout each apartment by electric wall-hung mini-split heat pump units(see table in HEATING section). Each system shall be sized to provide adequate cooling for each residential unit. Compressors for 2nd – 4th floor units will be mounted on the roof of the building bulkhead. The 1st floor unit's compressor unit shall be located within an areaway at the rear of the building. All associated HVAC piping shall be properly insulated. All exterior metals and fasteners shall be corrosion resistant. The Sponsor reserves the right to provide cooling equipment by different manufacturers which are equal to or better than noted above.

(1) **TYPE OF SYSTEM**

Split system is provided for efficiency. Wall-mounted heating and cooling units will be located in each room within the units. Each unit's bedroom and living room will be equipped with indoor units as noted in table in HEATING section. Maintenance and eventual replacement of the HVAC equipment shall be the responsibility of the individual unit owners whose equipment requires repair.

(2) **CENTRAL SYSTEM (MANUFACTURER, MODEL AND CAPACITY)**

The furnace/air handler is covered under HEATING section. There is one (1) condenser for each unit as described above. The condenser shall be one of the Mitsubishi models listed in the table in the HEATING section. The condensers are mounted to pre-fabricated metal curbs with vibration isolators. All piping shall be insulated in 1" foam insulation.

(3) **COOLING TOWERS, CONDENSERS**

The condensers are located as described above.

(4) **INDIVIDUAL UNITS COVERED BY THE OFFER (WINDOW/SLEEVE)**

There are no individual units covered by the offer e.g. window units, sleeves, etc.

(n) **VENTILATION**

The spaces that require mechanical ventilation in the units are the interior bathrooms and kitchens. These spaces shall be equipped with vertical ducts with a fan which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm, for bathroom and toilet room areas as required by the New York City Building Code. The minimum rate of exhaust ventilation shall be 100 cfm, for kitchen and kitchenette areas as required by the New York City Building Code. The elevator mechanical room is also provided with mechanical ventilation and shall be equipped with vertical ducts with a fan which terminates to the outside air. The rate of exhaust ventilation for the elevator mechanical room shall be approximately 200 cfm. The elevator mechanical room exhaust ventilation has an HVI sound rating of 4.5 sones. The gas meter room located at the cellar floor level is provided with an 8"x8" Fresh Air Intake, with an aluminum louver and bug screen at the exterior face.

All public cellar areas shall be mechanically ventilated as required by applicable codes. Dryer vents shall terminate at the building's exterior at the roof line.

(o) **ELECTRICAL SYSTEM**

Electrical service to the building is brought in from the terminal point of the Consolidated Edison Co.

(1) **SERVICE FROM MAIN SERVICE SWITCHGEAR**

The 300 Amp 3 phase main feed brings service to nine (9) separate meters located within the electrical meter room located in the front of the cellar floor of the building; one each for service to the individual units and one for the common areas.

(2) **SERVICE TO INDIVIDUAL UNITS**

Each unit shall be supplied with a minimum of 100 Amps of electrical service including a new sub panel at the cellar level and a new interior apartment panel. There are nine (9) main sub panels in the building, one for each unit and one for the common spaces.

(3) **COMPARTMENT SWITCH GEAR**

Compartment switch gear is not applicable.

(4) **UNIT SERVICE**

Sub-panel for typical residential units is located behind the entry door within the units. Sub-panels for apartment 1 and the common area is located in the cellar. There shall be 28 circuits equipped with circuit breakers for the 2nd-5th residential units. There shall be 40 circuits equipped with circuit breaker for the first floor residential unit. All proposed electrical work shall be completed before the first condominium sale.

(5) **ADEQUACY**

(i) Service

Service to units shall be adequate as per NYC Electrical Code and the NFPA 70. There will be approximately six circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, dishwashers and electric dryers. Water resistant receptacles for exterior use are provided. There will not be a backup generator for this building, however, adequate battery backup emergency lighting has been installed within the public halls and stairwells to illuminate the path of egress.

(ii) Lighting and fixtures

(iii) There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchenette and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination. Lighting fixtures and electrical outlets shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code. Convenience outlets, appliance outlets

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchenette, bathroom, toilet room etc. within each unit. There are no designated children play areas so Tamper-Resistant receptacles will not be provided by the sponsor. Unit owners may install Tamper-Resistant receptacles at their own expense. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code. All general electrical wiring throughout the building is #2 size copper wiring. Elevator electrical wiring is #3 size copper wiring

(p) **INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV**

Each residential unit will be equipped with a video intercom at the main entrance door, which will permit voice and video contact between the inside of the residential units and the main entrance at the first floor level. The intercom shall be equipped with a buzzer to allow access to the lobby from the entrance vestibule. The

intercom shall be manufactured by Aiphone, model # GT-1M3 and carries a warranty of 2 years on material and workmanship defects.

The building will be wired for cable and Fios. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment by a different manufacturer which is equal to or better than noted above.

(q) PUBLIC AREA LIGHTING

Lighting fixtures are provided in public stairways and hallways. Fixtures are capable of providing illumination of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixture is provided with one or more lights, of a total of not less than sixty (60) watts. In addition, lighting fixtures are provided at the front entranceways, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent. The above requirements are in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

Public lighting:

All recessed lights are the following model or equal:

NORA Lighting with NS-41 trim

All Exterior lights are the following or equal:

RAB VXBR100DG

(r) GARAGE AND PARKING AREAS

There are no garages or parking areas connected with the building. Parking is permitted on the street on certain days and hours of the week. There are public parking garages in the area, if desired.

(s) SWIMMING POOL(S)

There are no swimming pools in/on this property.

(t) TENNIS COURTS, PLAYGROUNDS AND FRECREATION FACILITIES

There are no tennis courts, playgrounds and recreation facilities in/on this property.

(u) PERMITS AND CERTIFICATES

All required permits and sign-offs required and a Certificate of Occupancy are to be obtained by the Sponsor.

The following permits will be obtained by the Sponsor:

<u>P E R M I T T Y P E</u>	<u>A G E N C Y</u>
Underpinning	Department of Buildings
Fence	Department of Buildings
General Construction	Department of Buildings
Plumbing	Department of Buildings
Electrical	Department of Buildings
Elevator Safety	Department of Buildings
Mechanical/HVAC	Department of Buildings
Site Connection	Department of Environmental Protection
Builders Pavement (Construct new sidewalk)	Department of Transportation

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work

types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

The following is a list of all recurring inspections to be done after the building is in operation:

- Fire Alarm inspection - to be conducted bi-annually
- Elevator inspection - to be conducted annually
- Sprinkler inspection - to be conducted annually
- Backflow Valve inspection - to be conducted annually

(v) **VIOLATIONS**

There are no violations on record at this time. The units will be offered and sold without any violations. Should there be any new violations, the sponsor will clear all violations prior to closing.

(w) **UNIT INFORMATION**

There is a total of eight (8) residential dwelling units, six (6) limited common storage units located at cellar level which will be available for individual purchase, and a trash storage room. Building utilities, including electricity, gas, water, and sprinkler service, enters the building in the cellar. Electric meters are in the cellar, gas meters are located at the cellar level within closets provided in the hallway towards the front of the building within the public hall, and the water and sprinkler service is located in the cellar. The rear of the cellar and 1st floor is one residential duplex apartment. There are two residential dwelling units located at the first floor level. There will be two residential dwelling units located on each 2nd through 4th floors. The 4th floor is two residential duplex apartments each with a private roof terrace at the mezzanine level. The upper rooftop terrace shall be accessible exclusively for the owners of units 2A and 3A for recreation.

(1) **TYPE AND GRADE OF FINISH MATERIAL USED IN EACH TYPE OF UNIT**

Room	Floor	Wall/Ceiling	Fixtures
Bath	¾" Cement Bd. subfloor Ceramic Tile	Ceramic / GWB Primer & 2 coats of Benjamin Moore Interior Latex Paint	Toilet, Tub, Lavatory, Shower
Kitchen	¾" Plywood subfloor ¾" thick various size 5"-7" wide plank white oak	GWB / GWB Primer & 2 coats of Benjamin Moore Interior Latex Paint	Residential Sink
Living Room	¾" Plywood subfloor ¾" thick various size 5"-7" wide plank white oak	GWB / Exposed Concrete Primer & 2 coats of Benjamin Moore Interior Latex Paint	
Bedroom	¾" Plywood subfloor ¾" thick various size 5"-7" wide plank white oak	GWB / Exposed Concrete Primer & 2 coats of Benjamin Moore Interior Latex Paint	

Kitchen Appliances: Refrigerator, Gas Range, Microwave, and Dishwasher

(2) **TYPE AND CONDITION OF ALL BATHROOM FIXTURES**

See table above. All fixtures shall be new.

- (i) Water closets: are manufactured by Toto, model # MS854114EG and are of vitreous china, floor mounted and with siphon flushing action.
- (ii) Countertop lavatory: are manufactured by Kohler, model # K2882-O and are of enameled cast iron or vitreous china with Elizabethan Classics faucet; set in plywood vanity with one piece cultured marble top.
- (iii) Bathtubs: are manufactured by Darius Designs, model # 6632 and have an enameled exterior, with flow outlet and Kohler showerhead and trim. The finish color is white.

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than those listed above.

(3) TYPE AND CONDITION OF KITCHEN AND LAUNDRY EQUIPMENT

See table above. Laundry equipment will not be provided by the sponsor.

The kitchen will generally be provided with the following fixtures, appliances and equipment:

- (i) Countertops shall be quartz or quartzite.
- (ii) Cabinets: ¾" plywood custom manufactured by East Coast Cabinetry.
- (iii) Fireclay farmhouse sinks: Highpoint Collection HP-TFC30.
- (iv) Gas Range: Viking model VGR530
- (v) Refrigerator: Viking model RVRF3361
- (vi) Dishwasher: Viking model VDW302SS

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than those listed above.

(x) FINISH SCHEDULE OF SPACES OTHER THAN UNITS

The fire sprinkler service, ejector pump system, and the sump pump is in the crawl space of the cellar. The crawl space will not be finished. There is a fire rated door/access panel from the cellar stairwell allowing access to the crawl space.

Room / Area	Floor	Wall	Ceiling
Entrance Lobby	Polished concrete	Brick veneer / GWB	Plaster over concrete
Stair / Corridor	Concrete	Brick veneer / Plaster over concrete	Plaster over concrete
Cellar	Unfinished Concrete	GWB	Plaster over concrete

(y) SAFETY AND WARNING DEVICES

Smoke and carbon monoxide detectors shall be provided for each residential unit. All detectors shall be hard wired and to be installed as per Local Law 62/81 and R.S. 17 of the New York City Building Code. All detectors shall be approved by the Board of Standards and Appeals. Manufacturer shall be Kidde or equal.

(z) ADDITIONAL INFORMATION

See attached plans for additional information, which includes but not limited to the following:

- (1) SITE PLAN
- (2) AREA MAP (IF THE CONDOMINIUM IS NOT LOACATED IN A HIGHLY URBAN AREA)
- (3) FLOOR PLAN OF EACH LINE OR TYPE OF UNIT
- (4) FLOOR TO CEILING HEIGHTS OF UNITS
- (5) APPOXIMATE TOTAL AREA OF EACH UNIT
- (6) MASTER FLOOR PLAN

UNIT SIZES

The approximate square footage of each unit is determined by the exterior measurement of said unit, and does not include common elements or limited common elements to which that unit may have immediate access. For purposes of such exterior measurement, the square footages listed in the offering plan include all exterior walls, and interior partitions dividing the unit from common areas, as well as one-half of any walls separating one unit from another. As a result, the floor area of the apartment, as measured between the exposed faces of the walls of the apartment, may be smaller than square footages set in the plans and the schedule B. Square footages for each unit, including limited common areas, can be found in the accompanying drawings and schedules included in the plan.

UNIT INTERIORS

All units are as described herein: Generally the finished floors of the living, dining, kitchen and bedroom areas are hardwood finish. Thereafter unit owners may finish with materials of their own choice and at their own cost. Hardwood flooring throughout is various size 5"-7" wide plank white oak. Finish is one coat sealer and two coats satin polyurethane. The walls are gypsum wallboard and plaster that are primed and painted, and brick veneer. Ceilings will be either gypsum wallboard and plaster that are primed and painted, or polished concrete. Thereafter the unit owners may decorate by finishing with wallpaper, paneling, mirrors, etc. of their own choice and at their own cost. Closets have the same interior finishes as above and are outfitted with a single chrome hanging bar and fixed shelf. Private stair at the 1st floor will be poured reinforced concrete stairs and metal and glass railings. Finishes on walls and ceilings in stairwells are painted sheetrock and plaster or polished concrete. Full bathrooms are equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower or a shower. Full bathrooms, with bathtubs, have ceramic tile floors and tile around the bathtub extending 7' above the finished floor. Toilet/Powder rooms shall have ceramic tile floors. All other bathroom partitions, not specified, have a tile base and the upper portions are of moisture resistant gypsum wallboard, primed and painted. Bathroom ceilings are also moisture resistant, gypsum wallboards primed and painted. All ceiling lighting will be recessed lighting NORA lighting with NS-41 trim. Each lighting fixture is capable of providing at least 40 watts of incandescent illumination.

COMMON AREAS

There is an entrance vestibule and foyer on the first floor which will be polished concrete flooring, brick veneer and plaster finishes on walls and plaster finishes on ceiling. Common hall and stair areas have plaster finishes on walls and ceilings. Walls and ceilings shall initially be painted by the sponsor. Subsequent painting over the years shall be the responsibility of the condominium association. Meter rooms, storage rooms, and other spaces in cellar have exposed concrete floors, a combination of exposed masonry and gypsum board walls with a combination of gypsum board, and plaster. Doors at the cellar level are hollow metal doors with metal bucks. Ceilings have a painted finish.

RATED PARTITIONS BETWEEN UNITS

Demising walls between units shall be constructed with metal studs covered with two layers on both sides of 5/8" type "x" gypsum board two hours rating and sound proofing STC rating of 50 to 54. One-hour fire rated walls shall be provided at gas ranges extending at least 12" beyond area constructed with metal studs covered with one layer of 5/8" type "x" gypsum board - one hour rating. All gypsum boards used for this building does not contain sulfide and is not corrosive to copper plumbing and electrical wiring and is not conductive to Sick Building Syndrome.

(ab) **FURTHER DEVELOPMENT**

The sponsor shall not construct any additional units or phases after completion of the structure, as per DOB approved plans. All balconies and terraces shall not be enclosed and remain open as per approved plans.

(ac) **ASBESTOS**

This statement is to disclose that there will be no asbestos made products; there will be none in the insulation or fireproofing material anywhere, partially or in whole, specified under this new building construction of this condominium, as per approved plans.

(ad) **LEAD-BASED PAINT**

This statement is to disclose that there will be no lead-based paint; there will be none partially or in whole, specified under this new building construction of this condominium, as per approved plans.

ENERGY CONSERVATION CONSTRUCTION CODE

To the best of my knowledge, belief and professional judgment, these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State, using chapter five (5).

DOCUMENTS TO BE TRANSFERRED TO CONDOMINIUM MANAGEMENT

The following documents shall be transmitted to the Condominium Board of Managers upon Sponsor's Transfer of Control

- Final as-built drawings, e.g. structural mechanical electrical, plumbing, approved shop drawing;
- Operation and maintenance (O&M) manuals for mechanical equipment;
- Electronic system manual;
- Re-commissioning manual (as applicable);
- Equipment warranties;
- Roof warranty;
- Major equipment start-up sheets;
- Control system as-built;
- Original test & balance report for HVAC system;
- Post-construction in-door air quality report

GENERAL INFORMATION

The architect of record is retained for the controlled inspections on the project. Under current "Approved Plans" smoke and carbon monoxide detectors are provided in all apartment units. All plans and applications will be approved under New Building Application #421235504 filed with the City of New York Department of Buildings.

The building and site will be constructed in accordance to the New York City Building Code, the New York City Zoning Resolution and all other applicable authority and in accordance with plans and applications on file with the Department of Buildings of the City of New York. With reference to the preparation of plans, the sponsor has retained the services of an Architect who prepared same. The sponsor represents to the best of its knowledge that the plans accurately describe the building units, common elements and completion of construction. As of the date of the first closing, the sponsor represents that it will have the Final Certificate of Occupancy for the building contained therein, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering. It should be noted that

no mechanical tests or removal of wall, ceilings or other structural elements were made in connection with this report. Based upon observations made in areas open to inspections, this report contains as accurate a description of the structure as possible. Applications are on file at the New York City Department of Buildings.

Submitted By



Christopher V. Papa, RA, AIA

27-21 27th STREET
 BLOCK: 575 LOT: 38
 LOT AREA = 3,103.28 SF

27 TH

60' WIDE
 ASPHALT PAVEMENT

STREET

174.2 (N.T.S.)

ASPHALT PAVEMENT
 CONC. CURB

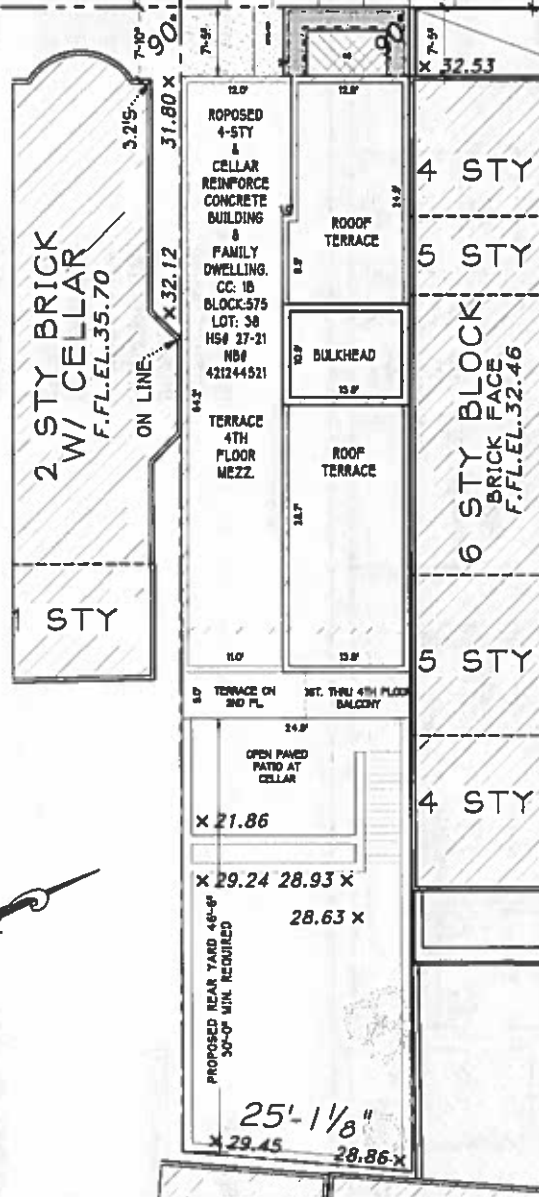
CONC. CURB
 L.P.
 CONC. SIDEWALK

25'-0"

CONC. SIDEWALK

HYD.

123'-0 5/8"



POINT OF BEGINNING

125'-2 7/8"

175'-10 7/8"

NEWTOWN
 HALLETS COVE ROAD AVENUE
 70' WIDE



Seal:

Date: 04/23/2015
 Project No.: 17026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.: S-01
 Sheet: 1 of 16

Project:
 27-21 27th STREET
 ASTORIA, NY

Drawing Title:

SITE PLAN



CHRISTOPHER PAPA
 ARCHITECT

23-02 STEWART STREET
 ASTORIA, NY 11105

OFFICE: 718.777.5280
 FAX: 718.777.5282
 WWW.CVPARCHITECT.COM



27-21 27th STREET ASTORIA, NY

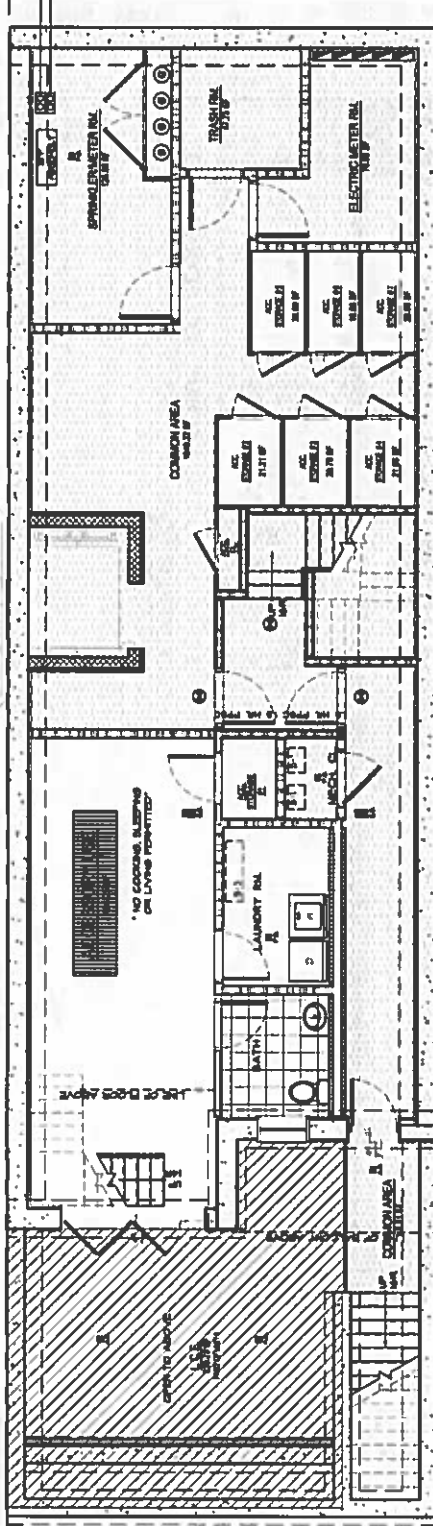
Drawing Title:
CELLAR PLAN

Project:

Date:	04/25/2018
Project No.:	17026
Drawing by:	C. PAPA
Checked by:	C.V.P.
Drawing No.:	S-02
Sheet:	2 of 16

Seal:

EXISTING 6-11' DEEP
WELL



EXISTING 6-11' DEEP
WELL

COMMON ELEMENT

LIMITED COMMON ELEMENT

UNIT 1 (LOWER PORTION):

STORAGE UNIT #2:

STORAGE UNIT #3:

STORAGE UNIT #4:

STORAGE UNIT #5:

STORAGE UNIT #6:

STORAGE UNIT #7:

COMMON ELEMENT:

GROSS FA:

LIMITED COMMON ELEMENTS:

LCE - LOWER REAR YARD

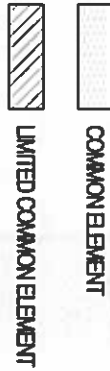
498.25 SF	1040.32 SF
21.21 SF	1653.23 SF
20.78 SF	339.78 SF
21.66 SF	339.78 SF
20.69 SF	
19.66 SF	
20.69 SF	

CELLAR FLOOR PLAN

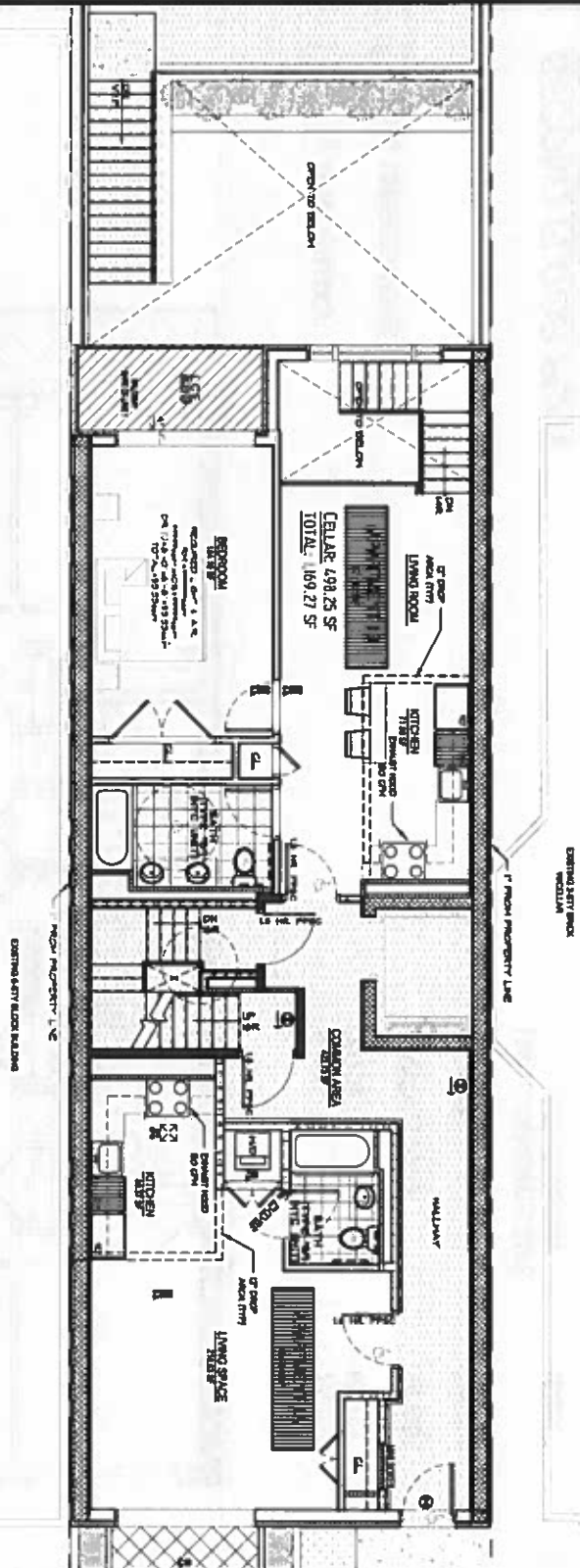
SCALE: 1/8" = 1'-0"

FIRST FLOOR PLAN

SCALE: 1/8" = 1'-0"



UNIT 1A:	485.56 SF
UNIT 1B (UPPER PORTION):	671.02 SF
COMMON ELEMENT:	422.73 SF
GROSS FA:	1579.31 SF
LIMITED COMMON ELEMENTS:	56.62 SF
LCE - 1B BALCONY	56.62 SF



Seal:

Date:	04/23/2018
Project No.:	17026
Drawing by:	C. PAPA
Checked by:	C.V.P.
Drawing No.:	S-03
Sheet:	3 of 16

Project:

**27-21 27th STREET
ASTORIA, NY**

Drawing Title:

**FIRST
FLOOR PLAN**



CHRISTOPHER PAPA
ARCHITECT

22-02 STEINWAY STREET
ASTORIA, NY 11105

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FAX 718.777.5282
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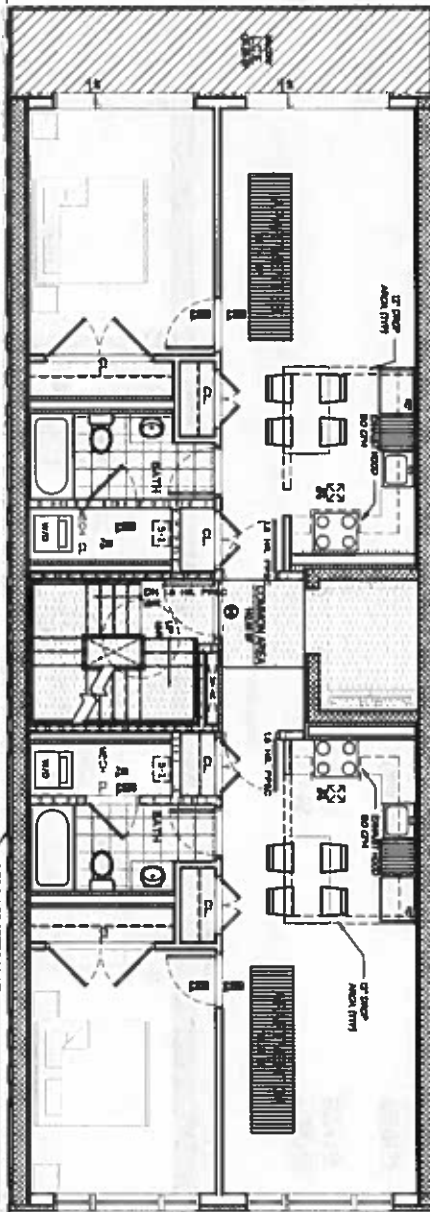
THIRD FLOOR PLAN
SCALE: 1/8" = 1'-0"

COMMON ELEMENT
LIMITED COMMON ELEMENT

UNIT 3A: 713.97 SF
UNIT 3B: 687.41 SF
COMMON ELEMENT: 192.09 SF
GROSS FA: 1593.47 SF
LIMITED COMMON ELEMENTS:
LCE - 38 BALCONY 124.08 SF

EXISTING UNIT 3B BUILDING

1' FROM PROPERTY LINE



EXISTING UNIT 3B BUILDING

1' FROM PROPERTY LINE

Seal:

Date: 04/23/2018
Project No.: 17026
Drawing by: C. PAPA
Checked by: C.V.P.
Drawing No.: S-05
Sheet: 5 of 16

Project:

27-21 27th STREET
ASTORIA, NY

Drawing Title:

THIRD
FLOOR PLAN



CHRISTOPHERPAPA
ARCHITECT

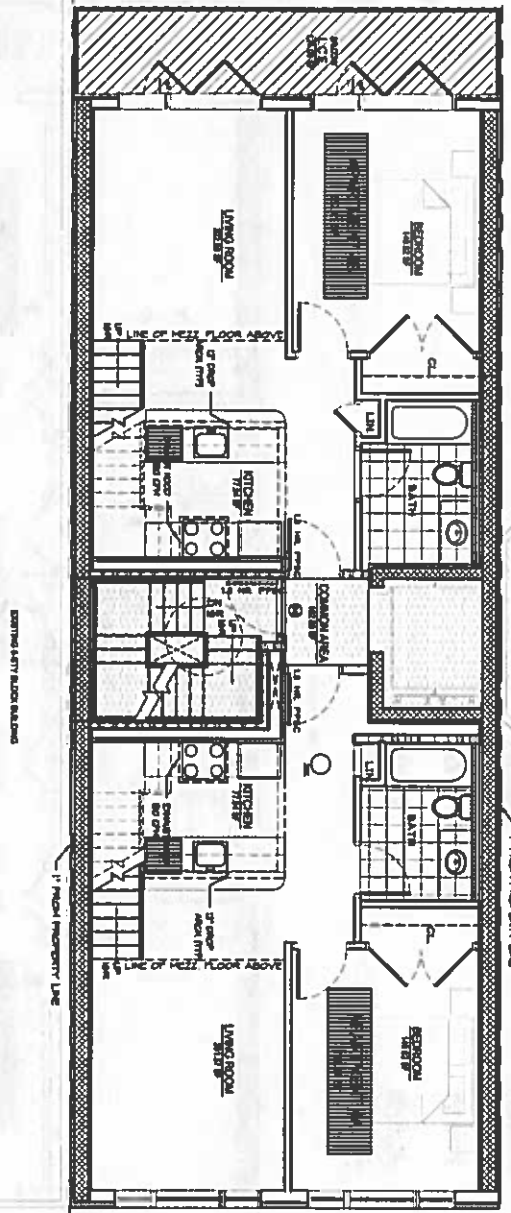
22-42 STEINWAY STREET
ASTORIA, NY 11105

OFFICE: 718.777.5280
FAX: 718.777.5282
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FOURTH FLOOR PLAN

SCALE: 1/8" = 1'-0"

COMMON ELEMENT
LIMITED COMMON ELEMENT



UNIT 4A: 713.97 SF
UNIT 4B: 687.41 SF
COMMON ELEMENT: 192.09 SF
GROSS FA: 1593.47 SF
LIMITED COMMON ELEMENTS: 124.08 SF
LCE - 4B BALCONY

Seal:

Date: 04/23/2016
Project No.: 17026
Drawing by: C. PAPA
Checked by: C.V.P.
Drawing No.: S-06
Sheet: 6 of 16

Project:

27-21 27th STREET
ASTORIA, NY

Drawing Title:

FOURTH
FLOOR PLAN



CHRISTOPHERPAPA
ARCHITECT

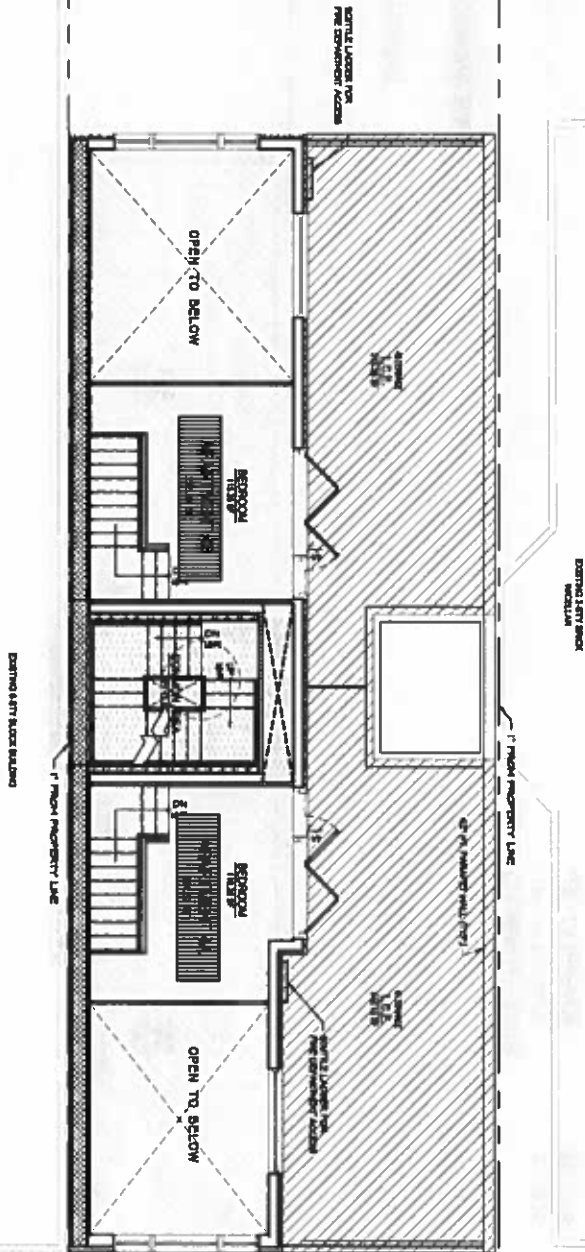
22-02 BEDFORD STREET
ASTORIA, NY 11105

OFFICE: 718.777.5280
FAX: 718.777.5282
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FOURTH FLOOR MEZZANINE PLAN SCALE: 1/8" = 1'-0"

COMMON ELEMENT
 LIMITED COMMON ELEMENT

UNIT 4A (UPPER PORTION): 221.57 SF
 UNIT 4B (UPPER PORTION): 226.04 SF
 COMMON ELEMENT: 121.12 SF
 GROSS F.A. 568.73 SF
 LIMITED COMMON ELEMENTS:
 LCE - 4A TERRACE 348.10 SF
 LCE - 4B TERRACE 315.30 SF



Seal:

Date: 04/23/2016
 Project No.: 11026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.:
S-07
 Sheet: 1 of 16

Project:

**27-21 27th STREET
 ASTORIA, NY**

Drawing Title:

**FOURTH FLOOR
 MEZZANINE PLAN**



CHRISTOPHER PAPA
 ARCHITECT

2242 STEINWAY STREET
 ASTORIA, NY 11105

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 FAX: 718.777.5200
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ROOF PLAN

SCALE: 1/8" = 1'-0"



COMMON ELEMENT: 121.12 SF

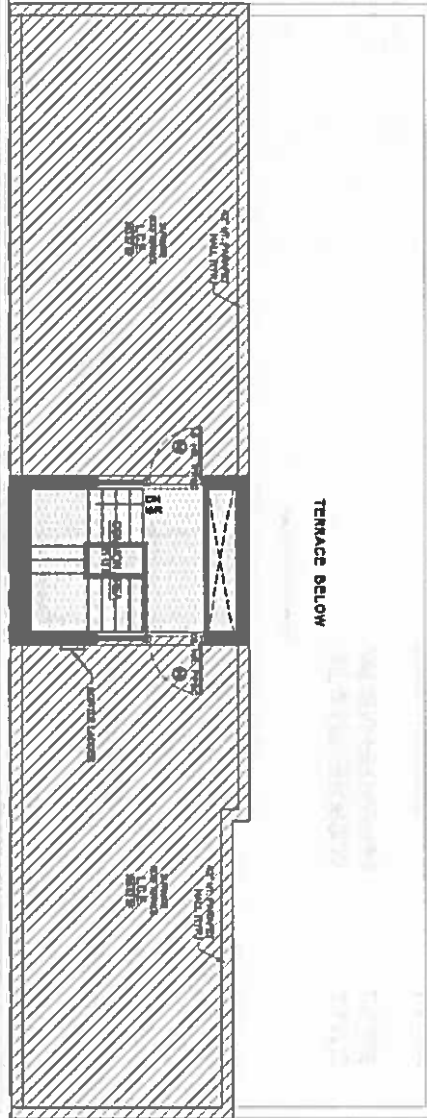
GROSS FA: 871.21 SF

LIMITED COMMON ELEMENTS:

LCE - 2A TERRACE 366.52 SF

LCE - 3A TERRACE 383.57 SF

EXISTING LIGHT RAILCAR BUILDING



EXISTING LIGHT RAILCAR BUILDING

TERRACE BELOW

Seal:

Date:	04/23/2016
Project No.:	17026
Drawing by:	C. PAPA
Checked by:	C.V.P.
Drawing No.:	S-08
Sheet:	1 of 16

Project:

27-21 27th STREET
ASTORIA, NY

Drawing Title:

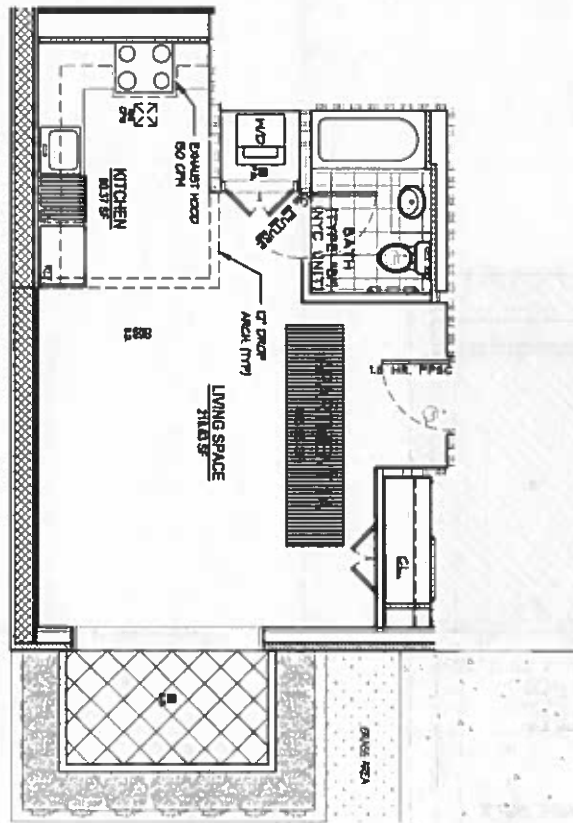
ROOF PLAN



CHRISTOPHERPAPA
ARCHITECT

22-82 STEINWAY STREET
ASTORIA, NY 11105

OFFICE: 718.777.5200
FAX: 718.777.5202
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UNIT 1A:

485.56 SF

Seal:

Date: 04/25/2018

Project No.: 11026

Drawing by: C. PAPA

Checked by: C.V.P.

Drawing No.:

APT-1A

Sheet: 1 of 16

Project:

**27-21 27th STREET
ASTORIA, NY**

Drawing Title:

APARTMENT 1A



CHRISTOPHERPAPA
ARCHITECT

22-02 87th STREET
ASTORIA, NY 11105

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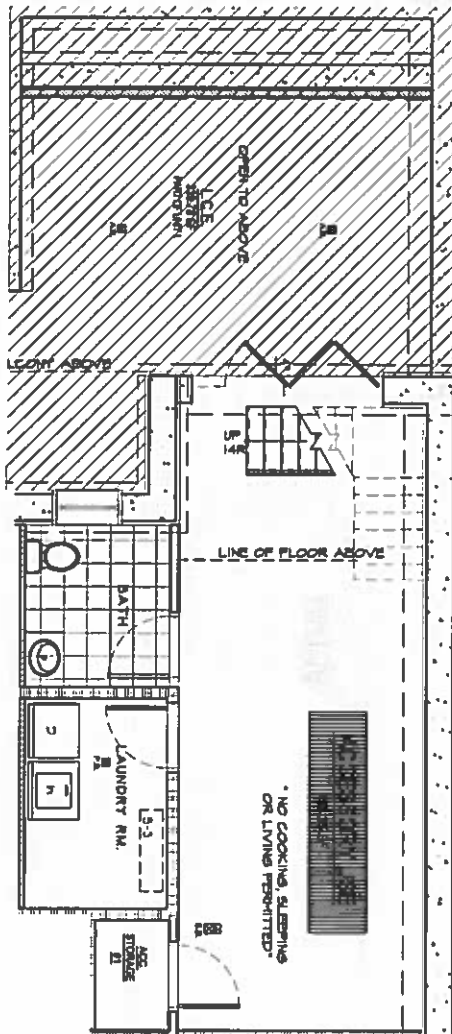
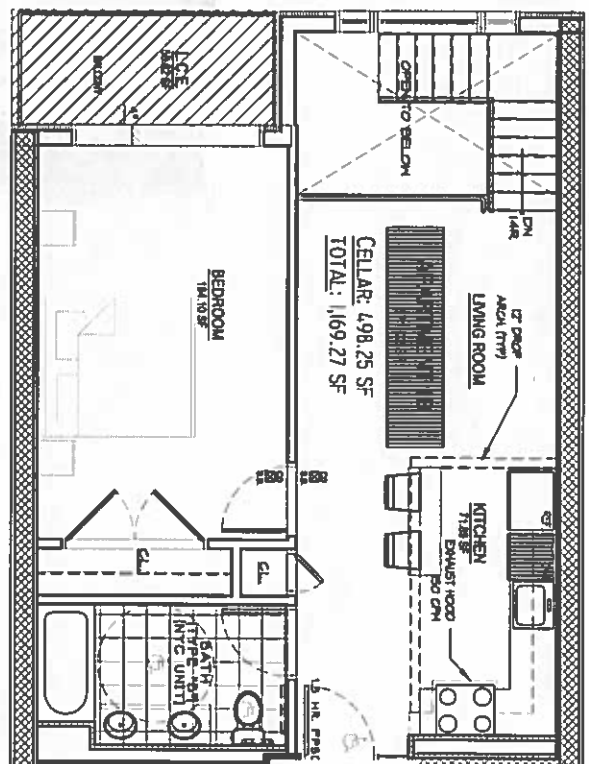
UNIT 1B (UPPER PORTION):
 UNIT 1B (LOWER PORTION):
 TOTAL:

671.02 SF
 498.25 SF
 1,169.27 SF

LIMITED COMMON ELEMENTS:

LCE - BALCONY
 LCE - LOWER REAR YARD

56.62 SF
 339.78 SF



Seal:

Date: 04/23/2016
 Project No.: 11026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.:

APT 1B

Sheet: 10 of 16

Project:

**27-21 27th STREET
 ASTORIA, NY**

Drawing Title:

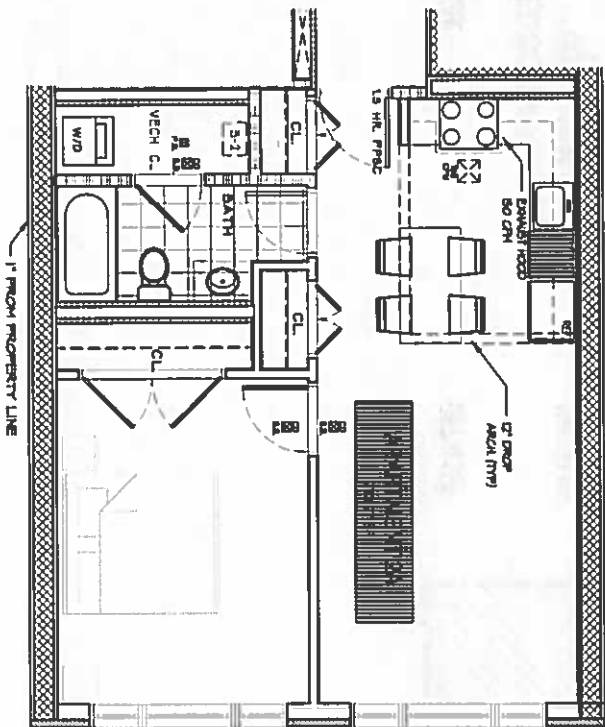
APARTMENT 1B



CHRISTOPHER PAPA
 ARCHITECT

22-02 STEINWAY STREET
 ASTORIA, NY 11105

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 FAX: 718.777.5382
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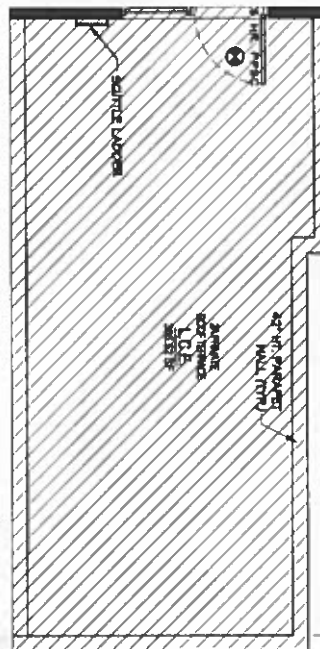


UNIT 2A:

713.97 SF

LIMITED COMMON ELEMENTS:
LCE - 2A ROOF TERRACE

366.52 SF



Seal:

Date: 04/23/2018
Project No.: 17026
Drawing by: C. PAPA
Checked by: C.V.P.
Drawing No.:
APT 2A
Sheet: 11 of 16

Project:

27-21 27th STREET
ASTORIA, NY

Drawing Title:

APARTMENT 2A

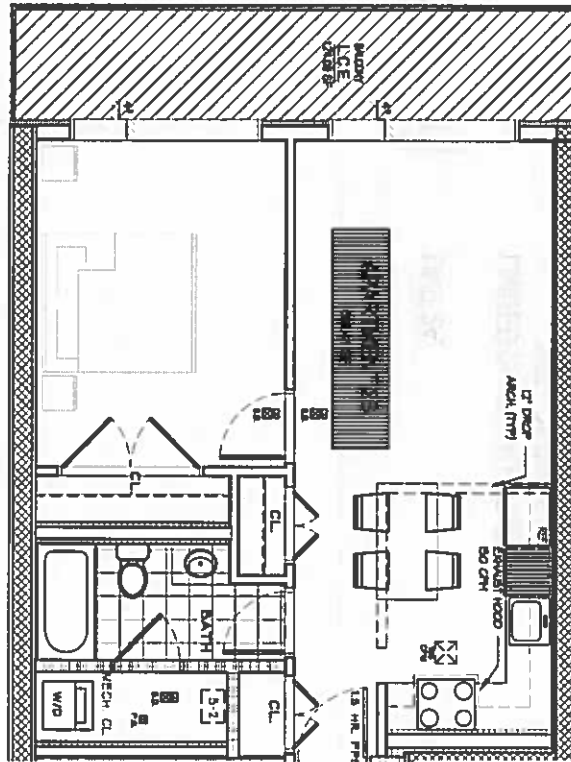


CHRISTOPHERPAPA
ARCHITECT

22-02 STEINWAY STREET
ASTORIA, NY 11106

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FAX: 718.777.5202
WWW.CVPARCHITECT.COM

UNIT 2B: 687.41SF
 LIMITED COMMON ELEMENTS:
 LCE - 2B BALCONY 124.08 SF



Seal:

Date: 04/23/2018
 Project No.: 17026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.:
APT 2B
 Sheet: 12 of 16

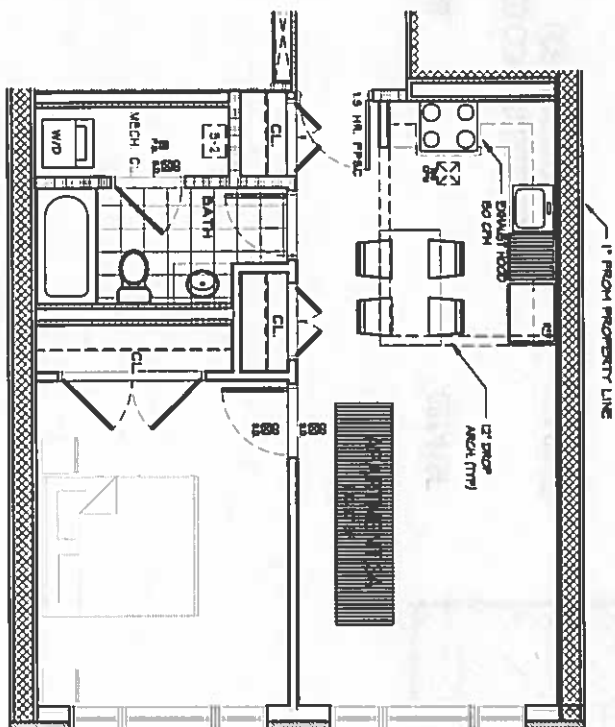
Project:
**27-21 27th STREET
 ASTORIA, NY**
 Drawing Title:
APARTMENT 2B



CHRISTOPHER PAPA
 ARCHITECT

22-02 STEINWAY STREET
 ASTORIA, NY 11105

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 FAX: 718.777.5202
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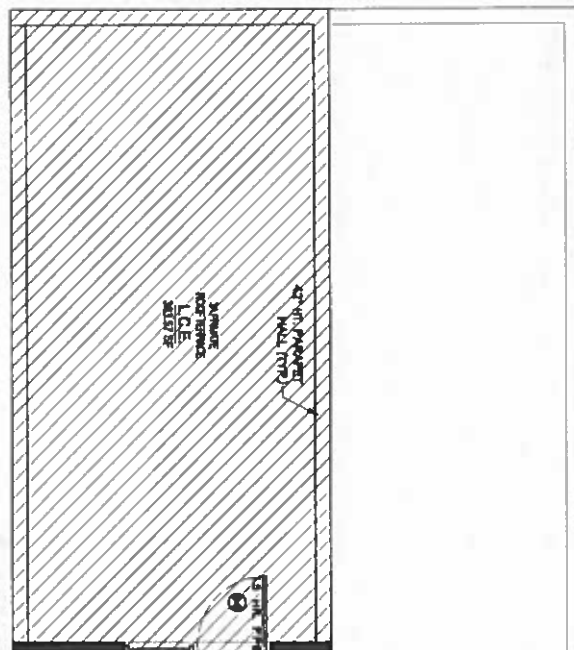
UNIT 3A:

713.97 SF

LIMITED COMMON ELEMENTS:

LCE - 3A ROOF TERRACE

383.57 SF



Seal:

Date: 04/23/2018

Project No.: 17026

Drawing by: C. PAPA

Checked by: C.V.P.

Drawing No.:

APT-3B

Sheet: 13 of 16

Project:

**27-21 27th STREET
ASTORIA, NY**

Drawing Title:

APARTMENT 3B

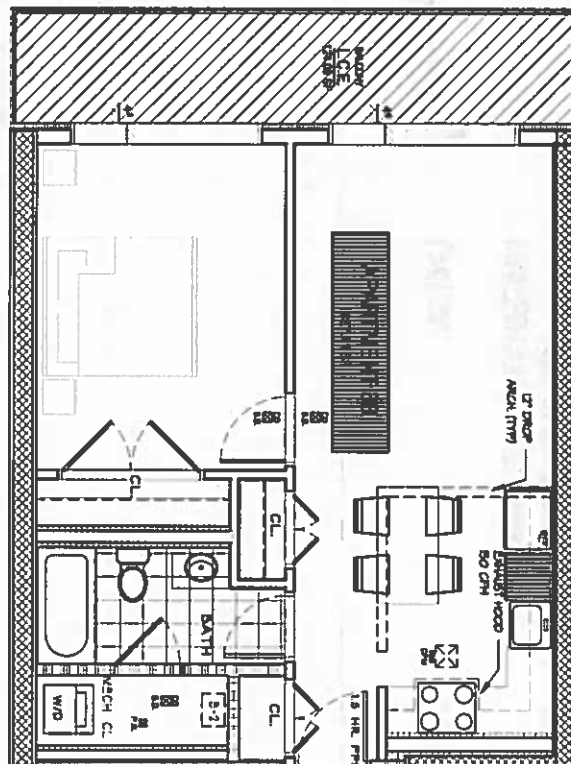


CHRISTOPHER PAPA
ARCHITECT

22-02 STEINWAY STREET
ASTORIA, NY 11105

OFFICE: 718.377.5200
FAX: 718.377.5202
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UNIT 3B: 687.41SF
 LIMITED COMMON ELEMENTS: 124.08 SF
 LCE - 3B BALCONY



Scale:

Date: 04/23/2016
 Project No.: 17026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.:
APT-3B
 Sheet: 14 of 16

Project:

**27-21 27th STREET
 ASTORIA, NY**

Drawing Title:

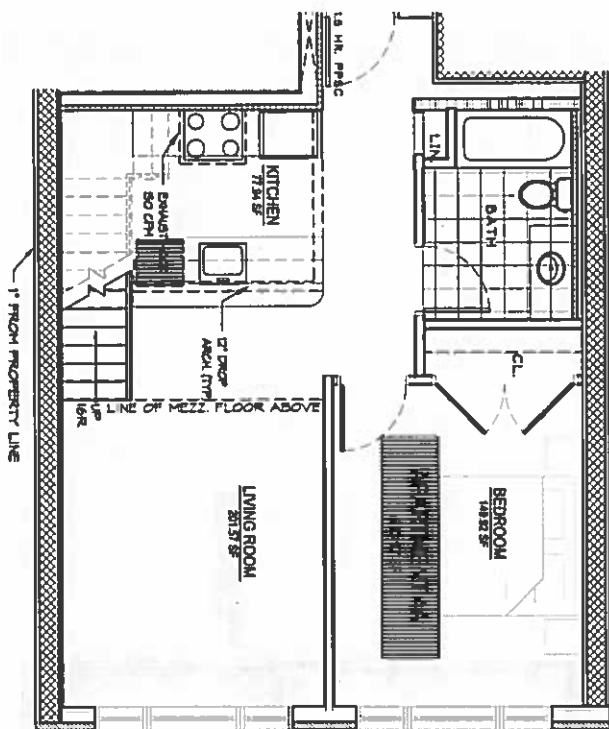
APARTMENT 3B



CHRISTOPHER PAPA
 ARCHITECT

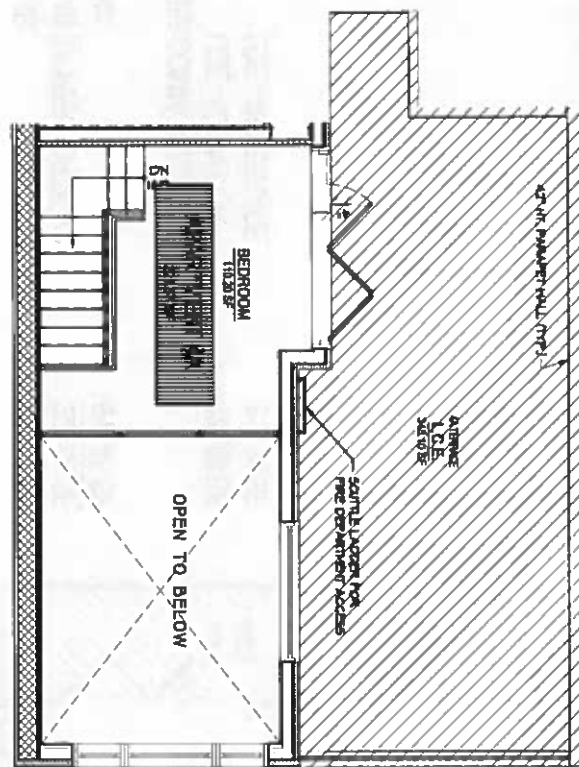
22-42 STEINWAY STREET
 ASTORIA, NY 11105

OFFICE 718.777.5280
 FAX 718.777.5282
 WWW.CVPARCHITECT.COM



UNIT 4A:
UNIT 4A (UPPER PORTION):
TOTAL:
UNITED COMMON ELEMENTS:
LCE - 4A TERRACE

713.97 SF
221.57 SF
935.54 SF
348.10 SF



Seal:

Date: 04/23/2018
Project No.: 17026
Drawing by: C. PAPA
Checked by: C.V.P.
Drawing No.:
APT-4A
Sheet: 15 of 16

Project:

27-21 27th STREET
ASTORIA, NY

Drawing Title:

APARTMENT 4A



CHRISTOPHERPAPA
ARCHITECT

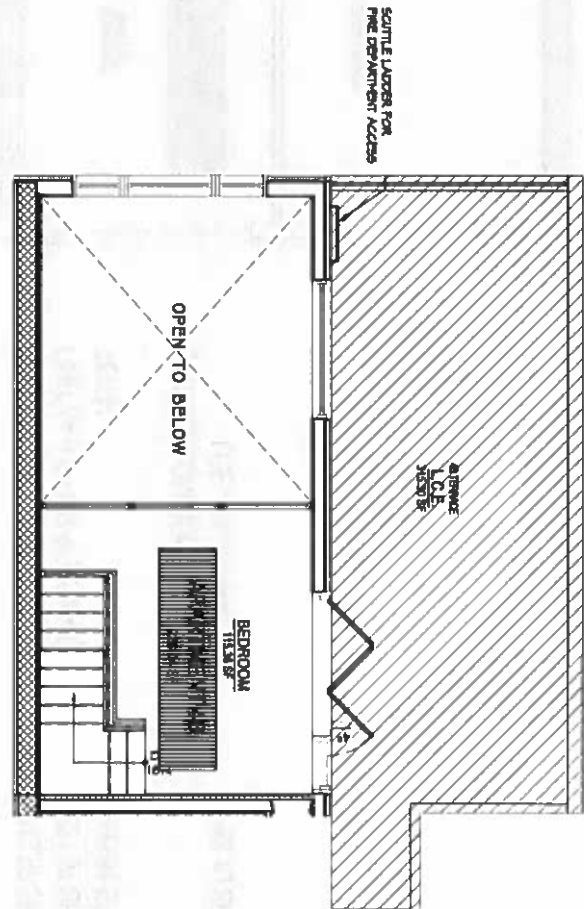
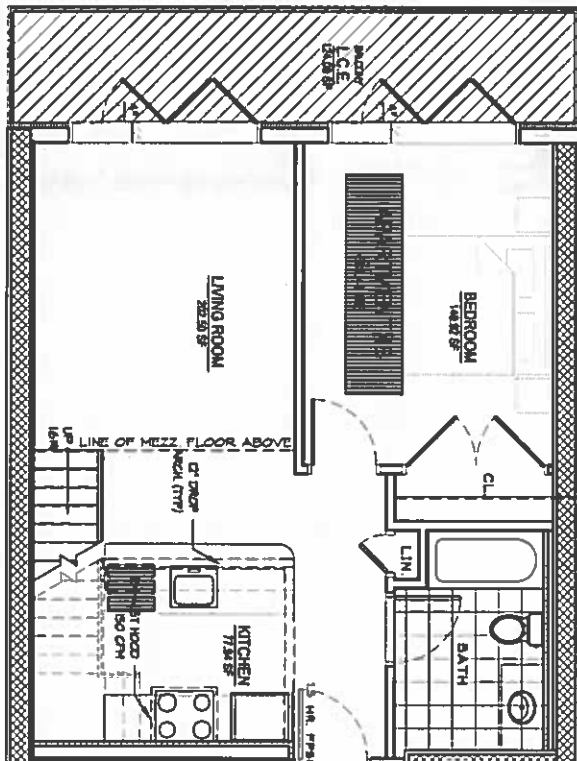
23-42 STEINWAY STREET
ASTORIA, NY 11105

OFFICE: 718.777.5280
FAX: 718.777.5282
WWW.CVPARCHITECT.COM

UNIT 4B:
 UNIT 4B (UPPER PORTION):
 TOTAL:
 LIMITED COMMON ELEMENTS:
 LCE - 4B BALCONY
 LCE - 4B TERRACE

687.41 SF
 226.04 SF
 913.45 SF

124.08 SF
 315.30 SF



Seal:

Date: 04/23/2016
 Project No.: 17026
 Drawing by: C. PAPA
 Checked by: C.V.P.
 Drawing No.:
APT-4B
 Sheet: 16 of 16

Project:

27-21 27th STREET
 ASTORIA, NY

Drawing Title:

APARTMENT 4B



CHRISTOPHERPAPA
 ARCHITECT

22-82 STEINWAY STREET
 ASTORIA, NY 11105

OFFICE 718.777.5280
 FAX 718.777.5282
 WWW.CVPARCHITECT.COM

ESCROW AGREEMENT

AGREEMENT made this _____ day of February, 2019, by and among _____ ("PURCHASER"), KST2 Properties LLC ("SPONSOR"), as sponsor of the 27-21 27th Street Condominium offering plan ("Plan") and Sacco & Fillas, LLP. ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale [cooperative/condominium/homeowners association/time shares] ownership interests at the premises located at 27-21 27th Street, Astoria,, 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 JP Morgan Chase Bank in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Sacco & Fillas, LLP., Escrow Account for the 27-21 27th Street Condominium ("Escrow Account"). The master account number is _____. A separate sub-account shall be established for each purchaser

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Tonino Sacco and Elias Fillas. 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 31-19 Newtown Avenue Seventh floor, Astoria, NY 11102 and a telephone number of (718) 746-3440.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Sacco & Fillas 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 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall place the DEPOSIT into the Escrow Account. Within ten (10) business days of placing the DEPOSIT in the Escrow Account, ESCROW AGENT shall provide written notice to Purchaser and Sponsor, confirming the Deposit. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY, 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning 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 [shares/unit/membership interest/fractional interest];

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/building] 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-hand the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
SACCO & FILLAS, LLP

By: _____
Name: Elias Fillas, Esq.
Title: Attorney At Law

SPONSOR
KST2 Properties LLC

By: _____
Name: Janos Kanta
Title: Member

PURCHASER

By: _____
Name: _____
Title: _____

DECLARATION

**ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP FOR PREMISES
LOCATED AT**

**27-21 27TH STREET, ASTORIA, NEW YORK,
BOROUGH OF QUEENS, QUEENS COUNTY, CITY OF NEW YORK,**

**THE LAND AFFECTED BY THE WITHIN INSTRUMENT LIES IN
BLOCK 575 LOT 38
ON THE TAX MAP OF THE BOROUGH AND COUNTY OF QUEENS
CITY AND STATE OF NEW YORK**

**PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW
OF THE STATE OF NEW YORK.**

NAME: THE 27-21 27TH STREET CONDOMINIUM

SPONSOR: KST2 PROPERTIES LLC

**30-77 38th Street
Astoria, New York, 11103**

DATE OF DECLARATION: day of _____, 2020

RECORD AND RETURN TO:

THOMAS E. BERINATO

123-40 83rd Avenue

Suite 1D

Kew Gardens, NY 11415

PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF THE 27-21 27th Street Condominium PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In the City of New York, Queens County and State of New York, on this ____ day of ____ 202__, KST2 PROPERTIES LLC , whose principal offices and domicile is situated at 30-77 38th Street, Astoria, NY 11103 hereinafter referred to as Sponsor represented in this Declaration by one of its Members, who is fully empowered and qualified to execute this Declaration on behalf of the Sponsor, does hereby declare:

1. Submission of Property.

Sponsor hereby submits the Property (a, defined in the Definitions set forth on Schedule B hereto) to the provisions of Article 9-B of the Real Property Law of the State of New York.

2. Area, Location and Description of Land.

The land (the Land) has an area of approximately 3,013 sq. ft. and consists of all that certain tract, plot, piece and parcel of land situated, lying and being in the Borough of Queens, Queens County and City of New York, more particularly described in Schedule A annexed hereto and made a part hereof. The Land is owned by Sponsor in fee simple absolute.

3. Definitions.

A. The owner of each Unit is hereinafter referred to as a Unit Owner. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common tenancy or by the entirety, and a majority vote of such owners shall be necessary to cast the Unit Owner's vote referred to in paragraph 14 of this Declaration.

B. A Unit as hereinafter referred to shall be defined as follows: The approximate physical dimensions of each Residential Unit consist of the area measured horizontally from the outside face of the exterior walls of the building defining the unit to (a) the outside face of the exterior walls of the building, or (b) the centerline of the interior partitions separating the Unit from another Unit, or (c) the corridor side of the partitions separating the unit from the corridor or any other spaces, if any. Each Unit will consist of the volume measured vertically from the wood subfloor or concrete floor to the hidden face of the ceiling posterboard supported by the structural system forming the floor of the Unit above or forming the roof above.

C. The Building as hereinafter referred to shall be defined as THE 27-21 27TH STREET CONDOMINIUM at 27-21 27th Street, Astoria, New York.

D. Condominium as hereinafter referred to shall mean THE 27-21 27TH STREET CONDOMINIUM which is composed of the Unit Owners.

E. Sponsor shall mean KST2 PROPERTIES LLC , and its successors and assigns.

F. Sponsor-designee as hereinafter referred to shall mean any person or entity designated by Sponsor to acquire title to a Unit. Sponsor-designee shall have the right to designate a person or entity, whether related or unrelated to Sponsor, to succeed to their rights, and any such designee shall be deemed to be a Sponsor-designee.

G. All capitalized terms used in this Declaration that is not defined herein shall have the meanings as set forth in Schedule B.

4. Description of Building and Units:

A. Sponsor is constructing a building upon the land, which will contain eight residential units. The Building has a total height of forty-five (45') feet. The average height of the floor to the ceiling of the four floors and mezzanine is 9 feet. All existing foundation and footings are poured reinforced concrete. The structural system is masonry bearing walls and steel floor joists.

B. Schedule C annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof; Unit designation; the percentage of interest in the Common Elements tax lot number; approximate area without Limited Common Elements; the number of rooms and appurtenant Limited Common Elements. The location of each Unit is more clearly designated in the Floor Plans, and reference should be made thereto for the statement of the location of each Unit.

5. Common Elements.

The Common Elements of the Condominium consist of the entire Property, including all parts of the Building and improvements thereon other than the Units, including without limitation:

- (i) the land upon which the Buildings are located;
- (ii) (a) All foundations, columns, girders, beams, supports, bearing walls, exterior walls and roofs, attics, concrete and masonry at the exterior face of the Building; (b) these portions of the walls and partitions dividing the Units from exterior walls, corridors, stairs or other Units located beyond the center line of partitions enclosing the Units; and (c) the concrete floor and beams, including any framing attached to the structure from which Drywall coiling is attached on the first floor and basement floor, (d) these portions of the exterior walls including and beyond the Unit side of the concrete block walls at the exterior face of the Building; and (e) the concrete floor to and including the underside of the concrete floor to and including the foundation; roofs, corridors, halls, stairs and stairway areas; lobbies; the area designated as

Superintendent's storage area; storage and utility areas; all portions of the basement which are not included within a particular Unit; laundry facilities not located within a Unit and entrances to and exits from the Building; all other areas of the first floor.

(iii) All central and appurtenant installations for services such as electricity, steam, gas, hot and cold water, telephone and refrigeration which are not included in a particular Unit;

(iv) Any tanks, pumps, motor, fans, compressors, ducts, sewer pipes and drainage pipes and all apparatus and installations existing for common use.

Notwithstanding the foregoing, the following Common Elements shall be deemed Limited Common Elements and the use thereof shall be restricted to specified Unit Owners as set forth herein, subject to the right of the Board of Managers to enter upon the Limited Common Elements for maintenance, repair or improvement and to the rules and regulations of the Condominium:

Patios adjacent to, and with direct access from, the interior of a particular Unit as set forth on Schedule C hereto;

6. Use of Units.

Each of the Units may be used only for private residential use, except that a Unit Owner may use a portion of his Unit for any home occupation use, including as a professional office, provided that the nature and manner of such use complies with the Law and does not violate the then existing Certificate of Occupancy covering such Unit. Storage units may be used for storage. Notwithstanding the foregoing, the Sponsor or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

7. Determination of Percentages in Common Elements.

The percentage of Common Interest allocated to each Unit is based upon appurtenant floor area pursuant to section 339-i (1)(iv) of the Real Property Law.

8. 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 or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers or by the Sponsor or (c) as a result of original construction, or (d) as a result of repair or restoration of the Building or Unit after damage by fire or other casualty, or (e) 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 Building shall stand.

9. Easements.

A. Each Unit Owner shall have an easement in common with the owners of all other Units to use, maintain, repair, alter and replace all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements (other than Limited Common Elements) located in any of the other Units or in the Common Elements and serving his Unit (including heat and hot water from the boiler). Each Unit shall be subject to an easement in favor of the Owners of all other Units to use, the pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving such other Units and located in such Units. The Board of Managers shall have a right of access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in a Unit or Building. In addition, each Unit shall have, and shall be subject to, Easements of subjacent, support and necessity in favor of such Unit or in favor of other Units and the Common Elements.

B. The Sponsor and Sponsor-designees, their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose, including rehabilitation and sale of the Units, Building and Common Elements.

C. The Sponsor and Sponsor-designees, any partner of any entity affiliated directly or indirectly with Sponsor and their successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of the Offering Plan, as same may be amended. and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, if the Sponsor or Sponsor-designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

D. No Unit shall have an easement for the use of any Limited Common Elements except the Unit to which such Limited Common Element is appurtenant.

E. The user of any easement granted by subparagraphs B, C and D of this paragraph 9 shall have the responsibility of repairing any damage resulting from such use. No fee or charge may be imposed by the Board of Managers for any easement granted herein.

10. 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 (i) acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same, provided such sale or lease is to a non-Family Member or non-affiliate 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 Units so acquired or to sublease any Unit so leased by the Board of Managers or (ii) amend this Declaration as provided herein and in the By-Laws.

11. 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, general and limited, 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, and (iv) the exclusive right to use the appurtenant Limited Common Element 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 and apportioned Limited Common Element, pursuant to Section 1 of Article VIII of 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, 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 Interests. The lease covering any Unit leased by the Board of Managers, or its designees, 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 Interests.

12. Person to Receive Service.

For the period during which Sponsor is in control of the Board of Managers, Thomas E. Berinato, Esq. 123-40 83rd Avenue Suite 1D, Kew Gardens, NY 11415, is hereby designated to receive notice of process in any action, which may be brought against the Condominium. After Sponsor relinquishes control of the Board of Managers, notice of process in any action, which may be brought against the Condominium shall be served on the person holding the

office of President of the Board of Managers of the Condominium at the Office of the Condominium, located at 27-21 27th Street, Astoria, New York.

13. Units Subject to Declaration, By-Laws and Rules and Regulations.

All present and future Unit Owners, tenants, subtenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

14. Amendment to Declaration.

This Declaration may be amended, modified, added to or deleted from by the vote of at least 66-2/3% in number and in Common Interest 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 66-2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) No amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgages;

(b) 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(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such units or Units, if any;

(c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, any Sponsor-designee, or any partner of any entity affiliated directly or indirectly with Sponsor or any Unsold Unit, until Sponsor, Sponsor-designees, any partner of any entity affiliated directly or indirectly with Sponsor, shall consent thereto in writing; and

(d) The rights, benefits and exemptions of the Unsold Units may not be amended without the prior written consent of Sponsor.

Notwithstanding the foregoing, the Sponsor shall have and hereby reserves to itself and Sponsor-designee(s) the right to amend this Declaration at any time without the requirement of a vote and without the approval or consent of the Board of Managers or any Unit Owners or mortgages for the purposes of (i) filing the Floor Plans required by the New York Real

Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Plans, the verified statement of a professional engineer or licensed professional engineer certifying that the Floor Plans being filed simultaneously with such amendment fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p and (ii) filing amendments to Schedule C to the Declaration and the Floor Plans resulting from changes in Unsold Units pursuant to paragraph 15 below. Sponsor may require the Board of Managers to execute and record any such amendment to this Declaration (together with any such other documents as may be required to effectuate such amendment) or may execute such amendment as attorney-in-fact for Unit Owners.

No such amendment shall be effective until recorded in the Register's Office of Queens County.

15. Changes in Unsold Units.

Except to the extent prohibited by law, Sponsor or Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor, shall have the right, without the vote, approval or consent of any Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Units (Unsold Units) at the time owned by Sponsor or Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor; (b) change the use or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between any Unsold Units, or otherwise, and (d) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall reasonably consent thereto and, provided further, that Sponsor or its designee shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board and all other Unit Owners harmless from any liability arising therefrom. The provisions of this Article 15 may not be added to, amended, modified or deleted without the prior written consent of Sponsor or its designee. By the written permission of the Board any other Unit owner may be given, with respect to such owner's Unit, the same rights as are set forth in this Article 15 with respect to Unsold Units. Notwithstanding the other provisions of this Article 15, no reapportionment of the interests in the Common Elements appurtenant to any Units shall be made by a Unit Owner other than Sponsor unless there is first delivered to the Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such a reapportionment, will be in the approximate proportion which the fair value of each affected Unit bears to the aggregate fair value of all Units which are being reapportioned. The certification referred to in the preceding sentence shall be

delivered by either the Managing Agent or any other person reasonably acceptable to the Board.

16. Invalidity.

(a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest therein under the other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act.

(b) Subject to the terms of subparagraph (a) of this Article 16, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

17. Termination of Condominium.

The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. The written consent of the Mortgage Representatives, if any, shall be required before such vote is effective. Sponsor and Sponsor-designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event Sponsor and Sponsor-designees may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any unit owner or lien or as if owned in common, in which event the net proceeds of the sale shall be divided among all the Unit Owners in proportion to

their respective Common Interests, provided, however, that no payment shall be made to a Unit owner until there has first been paid off out of his share of such net proceeds all liens on his Unit, in order of priority of such liens.

18. Administration.

The Condominium shall be managed and administered by a Board of Managers in accordance with this Declaration and the By-Laws, which are attached hereto as Schedule D and made a part hereof.

19. 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.

20. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision thereof.

21. 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.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by their duly authorized representatives this 21st day of March, 2011.

KST2 PROPERTIES LLC

By: _____
Member

STATE OF NEW YORK)ss.:

COUNTY OF QUEENS)

On the ____ day of _____, in the year 2020, the undersigned a Notary Public in and for said State, personally appeared _____, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names(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

FEDERAL STANDARD ABSTRACT, INC.

Title Number: FSA288-01313Q

SCHEDULE A

Condominium Preamble to be furnished upon recordation of Declaration of Condominium.

ALL that certain plot, piece or parcel of land, situate, lying and being in the First Ward of the Borough of Queens in the City of New York, formerly known as the Fourth Ward of Long Island City, Queens County and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of 27th Street, distant 175 feet 10-7/8 inches southerly from the corner formed by the intersection of the easterly side of 27th Street and the southerly side of Newtown Avenue;

RUNNING THENCE easterly at right angles to the easterly side of 27th Street, 125 feet 2-7/8 inches;

THENCE southerly at right angles with the last mentioned course, 25 feet 1-1/8 inches;

THENCE westerly at right angles with the last mentioned course, 123 feet 5/8 of an inch to the easterly side of 27th Street;

THENCE northerly along the easterly side of 27th Street, 25 feet to the point or place of BEGINNING.

**For Conveyancing
ONLY**

**For Information
ONLY**

TOGETHER with all the right, title and interest of the party of the first part, of, in and to the land lying in the street in front of and adjoining said premises.

The policy to be issued under this report will insure the title to such buildings and improvements erected on the premises which by law constitute real property.

**SCHEDULE B TO THE DECLARATION OF CONDOMINIUM
OF THE PREMISES KNOWN AS
THE 27-21 27th Street Condominium
27-21 27th Street, Astoria, New York**

DEFINITIONS

B. CERTAIN DEFINITIONS

- | | |
|-----------------------------|---|
| Affiliate | - An Affiliate of, or Affiliated with, a specified corporation or partnership, shall mean a corporation or partnership that directly or indirectly, through one or more intermediaries, controls or is controlled by, or in under common control with, the corporation or partnership specified. |
| Appurtenant Interest | - With respect to any Unit, the undivided interest of the owner thereof, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium. |
| Board of Managers | - The governing board of the Condominium that represents the Unit Owners and manages the Condominium pursuant to the provisions of the By-Laws and of the Offering Plan. The Board is composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest. |
| Building | - The structure known as The 27-21 27th Street Condominium constructed or being constructed at 27-21 27th Street, Astoria, New York. |
| By-Laws | - Refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan. |

- Closings - Refers to the time, place and procedure by which fee title to the unit in question is conveyed to the Purchaser pursuant to a Purchase Agreement.
- Closing Date - Refers to date on which Closing occurs.
- Common Charges - Each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.
- Common Elements - All portions of the Property other than the Units, including without limitations:
- (a) The land on which the Buildings are located;
 - (b) All foundations, columns, girders, beams, supports, bearing walls, exterior walls and roofs, attics, concrete and masonry at the exterior face of the Building; (b) those portions of the walls and partitions dividing the Units from exterior walls, corridors, stairs or other Units located beyond the center line of partitions enclosing the Units; and (c) the concrete floor and beams, including any framing attached to the structure from which Drywall ceiling is attached on the first floor and basement floor, (d) those portions of the exterior walls including and beyond the Unit side of the concrete block walls at the exterior face of the Building; and (e) the concrete floor to and including the underside of the concrete floor to and including the foundation; roofs, corridors, halls, stairs and stairway areas; lobbies; the area designated as Superintendent's storage area; storage and utility areas; all portions of the basement which are not included within a particular Unit; laundry facilities not located within a Unit and entrances to and exits from the Building; all other areas of the first floor;
 - (c) Central and appurtenant installations for services such as electricity, steam, gas, hot and cold water, telephone, and refrigeration which are not included in a particular Unit;
 - (d) Any tanks, pumps, motors, fans, compressors, ducts sewer pipes and drainage pipes and in general all apparatus and installations existing for common use;

	(e) Such facilities as may be designated as Common Elements in the Declaration; and
	(f) All other parts of the Property necessary or convenient to its existence, maintenance, and safety, or normally in common use.
Common Expenses	(a) Expenses of operation of the Property, and (b) All sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.
Common Interest	- The proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit, as expressed in the Declaration.
Condominium	- A form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple, with the right of exclusive use, by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan, Condominium specifically refers to The 27-21 27th Street Condominium.
Condominium Act	- Article 9-B, Section 339-d to Section 339-ii of the Real Property Law of the State of New York, and the same may be amended from time to time.
Condominium Documents	- The Declaration, the By-Laws and the Rules and Regulations.
Declaration	- The instrument creating the Condominium, as may be amended from time to time, by which the Property is submitted to the provisions of the New York Condominium Act, the form of which is set forth in Part II of the Offering Plan.
Down Payment	- Refers to the money that a person desiring to purchase a Unit must deliver to the Sponsor at the time such person delivers an executed Purchase Agreement to the Sponsor.
Family Members	- The spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-

in-law, grandparents, great-grandparents, aunts, uncles, nephews and nieces of a Unit Owner.

First Unit Closing

- The first closing of title with a bona fide Purchaser of a Unit.

Floor Plans

- The floor plans of the Units certified by Chris Papa, R.A., filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

Inspection Statement

- A memorandum of work in which the Sponsor and Purchaser agree to the work Sponsor must perform or complete in or to the Purchaser's Unit and which obligations of Sponsor shall survive the closing of title to such Unit, the form of which is attached to the form of Purchase Agreement which is set forth in Part II.

Institutional Mortgage

- Any first mortgage covering any Unit that in a Permitted Mortgage and the initial holder of which in either Sponsor or a Sponsor designee or an institutional lender.

Insurance Trustee

- A bank or a trust company, in either event having both an office in the City of New York and a capital surplus of \$500,000,000.00 or more, from time to time appointed to serve as such by the Board of Managers.

Land

- All that certain tract, plot, piece and parcel of land situated, lying and being in the City of New York, County of Queens and State of New York, as more particularly described in Exhibit A to the Declaration.

Law

- The laws and ordinances of any or all of the Federal, New York State, New York City, Queens County and Borough of Queens, 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.

Limited Common Elements

- Parts of the whole which are owned as Common Elements, but the exclusive use of which is granted to a

	single Unit Owner including balconies and roof terraces.
Majority	- As may be specified herein or in the Declaration or by the By-Laws with respect to any matter or matters, a majority of Unit Owners means more than fifty percent in Common Interest in the aggregate. As may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, any specified percentage of Unit Owners means such percentage in Common interest in the aggregate.
Managing Agent	- Refers to 27-21 27TH STREET CONDOMINIUM with an office at 27-21 27th Street, Astoria, N.Y. 11103, or its successor in such capacity.
Mortgage Representatives	- 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.
Offering Plan	- The document, as may be amended from time to time, filed with the New York State Department of Law which describes the Property and pursuant to which individual Units in the Condominium are offered for sale.
Operation of the Property-	The administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.
Permitted Mortgage	- Any mortgage covering a unit that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.
Permitted Mortgagee	- Any holder of a Permitted Mortgage at the time in question.
Person	- A natural person, corporation, partnership, association, trustee or other legal entity.
Power of Attorney	- The document which is set forth in Part II of the Offering Plan, signed by Unit Owners, which appoints:

(i) the Board of managers as attorney-in-fact to acquire or lease, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interests thereto and to deal with any such Units so acquired as they may determine and to amend the Declaration, and By-Laws as authorized therein, and

(ii) the Sponsor as attorney-in-fact to amend the Declaration, the By-Laws, and the Rules and Regulations of the Condominium or any of said documents under certain conditions set forth in the Power of Attorney.

Property

- Includes the Land, the Building and all other improvements thereon, owned (subject to the title exceptions described herein) in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York Condominium Act.

Purchase Agreement

- Refers to the contract of purchase and sale for a Unit as set forth in Part II of the Offering Plan.

Purchaser

- Any Person who has entered into an agreement with Sponsor to purchase any Unit and in not in default thereunder.

**Recording Officer and
Recording or Recorded -**

Shall have the meanings stated in Section 290 of the New York Real Property Law.

Rules and Regulations

- 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.

Selling Agent

- KST2 PROPERTIES LLC a New York Limited Liability Companies and Corporation with an office at 30-77 38th Street, Astoria, NY 11103.

Special Assessments

- The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata in accordance with their respective interests (except as otherwise provided in the Declaration or in the By-Law), in accordance with paragraph (c) of Section 6.1 of the By-Laws.

Sponsor

- KST2 PROPERTIES LLC an entity formed in New York, 30-77 38th Street, Astoria, New York, 11103

Sponsor-designee

- Any Person designated by Sponsor to hold title to any Unsold Unit. Sponsor's statement in writing that a Person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all the rights of a Sponsor-designee under this Offering Plan. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a Sponsor-designee.

Unavoidable Delays

- Shall mean delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor, or lightning, earthquake, fire, storm, hurricane, flood washout, explosion, act of God or any cause whatsoever beyond the reasonable control of Sponsor whether or not similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond the control of Sponsor.

Unit

- Any apartment in the Building designated as a Unit and owned in fee simple absolute.

Units

- The Condominium consist of one (1) building containing a total of Twenty-Eight (28) Residential Units defined and located on floors numbered subcellar through seven (7), which Units are more particularly described in Article 5 of, and Exhibit B to, the Declaration and in the Floor Plans.

- Unit Deed** - The deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.
- Unit Designation** - The number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the Unit in the Declaration and on the Floor Plans.
- Unit Owner** - The Person or Persons owning a Unit in fee simple absolute. Collectively, Unit Owners means the respective owners of the Units.
- Unsold Units** - Any Unit owned by Sponsor or Sponsor-designee at the time in question.

**BY-LAWS
OF
THE CONDOMINIUM
OF THE PREMISES KNOWN AS**

THE 27-21 27th STREET CONDOMINIUM

ARTICLE 1

GENERAL

Section 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 lies in Block 575 Lot 38 as shown on the Tax Map of the Borough of Queens, Queens County, City and State of New York; (ii) the Building, which includes, without limitation, the Units and the Common Elements; (iii) all easements, rights and appurtenances belonging thereto; and (iv) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of Article 9B of the New York Real Property Law, as amended, commonly known as the New York Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 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 the Declaration and Schedule B thereto, 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.

Section 1.3 **Applicability Of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 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.

Section 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 in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Board of Managers.

ARTICLE 2

BOARD OF MANAGERS

Section 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 Board of Managers. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board of Managers 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.

Section 2.2 Status of the Board of Managers. Unless and until the Board of Managers shall incorporate in accordance with the terms of Section 2.4 hereof, the Board of Managers 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 Board of Managers shall incorporate in accordance with the terms of Section 2.4 hereof, the Board of Managers 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 Board of Managers shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 Principal office of the Board of Managers. The principal office of the Board of Managers shall be located either at the Property or at such other place in the Borough of Brooklyn reasonably convenient thereto as may be designated from time to time by the Board of Managers.

Section 2.4 Powers and Duties of the Board of Managers.

(A) The Board of Managers 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 Board of Managers 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 Board of Managers by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium 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 Board of Managers 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 Board of Managers or its designee, corporate or otherwise, and on behalf of the Unit owners, all rights, titles and interest in real and personal property deemed necessary or proper by the Board of Managers for use in connection with the ownership and operation of the Property as a residential condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including, without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Board of Managers; (c) 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 (d) 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 at least two-thirds of the members of the Board of Managers shall be required for the borrowing of any sum in excess of \$125,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) the affirmative consent of at least two-thirds, both in number and in

aggregate Common Interests, of all Unit Owners shall be required for the borrowing of any sum in excess of \$125,000.00 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 such Unit Owner; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Board of Managers pursuant to this subparagraph (vi) shall not be repaid by the Board of Managers, 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 Interests 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 other funds held by the Board of Managers 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; to accumulate funds for use as a reserve fund for capital replacements or other purposes;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof. During the period that the Sponsor controls the Board, the insurance coverage shall not be less than that required by the regulations of the New York State Department of Law.

(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 obtain and keep in force officers' and Board of Managers Members' liability insurance, in amounts deemed appropriate by the Board of Managers, but in no event less than \$1,000,000, for all members of the Board of Managers and all officers of the Condominium and the premiums on all such insurance shall constitute a part of the Common Expenses;

(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 Board of Managers 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 Board of Managers 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 Board of Managers or its designees, 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 Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Board of Managers or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners excluding Sponsor and any Sponsor-designee and any partner of any entity affiliated directly or indirectly with Sponsor for violation of the same (no fine may exceed \$25.00 for any one violation, but, for each day a violation continues after notice, it shall be considered a separate violation);

(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 Board of Managers 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 residential condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration or other instrument affecting the Property that the Board of Managers 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 Board of Managers 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 Board of Manager's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same; and

(xxiii) to carry out any other duties imposed upon the Board of Managers pursuant to the Declaration and these By-Laws.

(B) The Board of Managers 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.

Section 2.5 Certain Limitations on the Powers of the Board of Managers.

Notwithstanding anything to the contrary contained in these By-Laws, until Sponsor or Sponsor-designees convey title to all Units, but in no event later than five (5) years after the date of the First Unit Closing, Sponsor or Sponsor-designees have the right to veto any action of the Board of Managers to: (i) make any addition, alteration, improvement or change in or to the Common Elements, any Unit or the Building; (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; (iii) hire or replace any employee (in addition to the employees referred to in the Offering Plan); (iv) enter into, modify or terminate prior to the end of the term any management, service or maintenance contract; (v) borrow money on behalf of the Condominium; (vi) add to, delete from, modify or amend the Declaration, By-Laws, or Rules and Regulations of the Condominium, or; (vii) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor may not exercise veto power over expenses described in Schedule "B" or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer (iv). for any repair or

replacement necessary for the preservation or safety of the building or the safety of its occupants. The Sponsor may not exercise veto power over expenses described in Schedule "B." Sponsor's power to veto other expenses ends 5 years after the closing of the first unit, or whenever the unsold units are less than 25% of the common interest, whichever is sooner.

Section 2.6 Exercise and Delegation of Powers and Duties.

(A) Any act within the power of the Board of Managers to perform, and deemed necessary or desirable to be performed by the Board of Managers, shall be performed by the Board of Managers or shall be performed on its behalf and at its direction by the agents, employees or designees of the Board of Managers.

(b) The Board of Managers may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Board of Managers, subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and such additional exceptions and limitations as the Board of Managers may from time to time deem appropriate, during the intervals between the meetings of the Board of Managers. In addition, the Board of Managers may from time to time appoint, by duly adopted resolutions, such other committees as the Board of Managers may deem appropriate to perform such duties and services as the Board of Managers 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. The Executive Committee and each other committee shall consist of three or more members of the Board of Managers, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Board of Managers.

(C) The Board of Managers may employ a Managing Agent to serve at a compensation to be established by the Board of Managers and to perform such duties and services as the Board of Managers shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Board of Managers may delegate to the Managing Agent any of the powers granted to the Board of Managers 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 Board of Managers 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), (xxi) and (xxii) 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 Board of Managers, except to the extent permitted by Law.

Section 2.7 Number, Election and Qualification of Members. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Board of Managers shall consist of three individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Board of Managers shall consist of five individuals, four of whom are to be elected by the Unit Owners or designated by Sponsor or its designee pursuant to the terms of Section 4.9 hereof, and one member shall be designated by Sponsor and Sponsor-designees at such meeting, if Sponsor so chooses. The number of members of the Board of Managers may not be increased without the consent of Sponsor or Sponsor-designees as owners of Unsold Units for so long as there remains two Unsold Units. Except for members designated by Sponsor or its designee pursuant to the terms of this Section 2.7 or of Section 2.10 or Section 4.9 hereof, all members of the Board of Managers shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. However, no Unit Owner may be elected to serve on the Board of Managers if the Board of Managers has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election. Other than members designated by Sponsor and Sponsor-designees, no member shall continue to serve on the Board of Managers after he or she ceases to be a Unit Owner or an interested party in a Unit Owner, as specified above.

Section 2.8 Term of Office of Members. The term of office of the three members of the Board of Managers prior to the first annual meeting of the Unit Owners shall expire when the five individuals to be elected or designated at such meeting are so elected or designated and qualified. The term of office of each of the five individuals elected or designated and qualified at the first annual meeting of the Unit Owners shall be for a period of one year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Board of Managers shall serve until his or her successor shall be elected or designated and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Board of Managers may serve.

Section 2.9 Removal and Resignation of Members.

(A) Any member of the Board of Managers who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Board of Managers, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority in Common Interest of Unit Owners. Any member of the Board of Managers who was designated as such by Sponsor or its designee, pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor and Sponsor-designees, by giving written notice thereof to the Board of Managers. Any member of the Board of Managers whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Board of Managers may resign his or her membership at any time by giving written notice thereof to the Board of Managers and, with respect to any member of the Board of Managers designated as such by Sponsor and Sponsor-designees, to Sponsor and Sponsor-designees. In addition, any member of the Board of Managers 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.

Section 2.10 Vacancies.

(A) Any vacancy on the Board of Managers 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 the majority of the members of the Board of Managers then in office. A special meeting of the Board of Managers shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat 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 Board of Managers that is caused by the removal, resignation, or death of a member who was designated as such by Sponsor and Sponsor-designees shall be filled by an individual designated by Sponsor and Sponsor-designees.

(C) Each member of the Board of Managers 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 Board of Managers for the remainder of the term of the member he or she replaced subject to the provisions of Section 2.2 hereof, and until his or her successor shall be elected or designated and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 Organizational Meeting of the Board of Managers. The first meeting of the Board of Managers following each annual meeting of the Unit Owners shall be held within ten days of such annual meeting, at such time and place in Kings County as shall be both fixed informally by a majority of the members of the Board of Managers and designated in a written notice given to all members thereof by personal delivery, mail, or telegram not later than five business days prior to such date.

Section 2.12 Regular Meetings of the Board of Managers. Regular meetings of the Board of Managers may be held at such time and place in Kings County as shall be determined from time to time by a majority of the members thereof provided that at least four such

meetings shall be held during each fiscal year. Written notice of all regular meetings of the Board of Managers shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting.

Section 2.13 Special Meetings of the Board of Managers. The President may call a special meeting of the Board of Managers whenever he or she deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of three or more members of the Board of Managers. Written notice of all special meetings shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting, which notice shall state the time, place (in Kings County) and purpose of the meeting.

Section 2.14 Waiver of Notice of Meetings. Any member of the Board of Managers may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Board of Managers at any meeting shall constitute a waiver by his or her of notice of the time and place thereof. If all of the members of the Board of Managers are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 Quorum of the Board of Managers. For purposes of all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Board of Managers may participate in any meeting thereof by means of a conference 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. If, at any meeting of the Board of Managers, there shall be less than a quorum present, a majority of the members of the Board of Managers in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for lack of a quorum may be transacted without further notice.

Section 2.16 Conduct of Meeting. The President shall preside at all meetings of the Board of Managers, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Board of Managers and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Board of Managers, shall govern the conduct of the meetings of the Board of Managers unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 Decisions by the Board of Managers. Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of a majority of the members of the Board of

Managers present at a meeting thereof at which a quorum is present shall constitute the decision of the Board of Managers. Alternatively, any decision that is required or permitted to be made by the Board of Managers may be made without a meeting thereof if all of the members of the Board of Managers shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Board of Managers.

Section 2.18 Compensation of Members. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 2.19 Common Interested Members of the Board of Managers. Each member of the Board of Managers 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 Board of Managers 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 Board of Managers 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 Board of Managers was present at the meeting or meetings of the Board of Managers 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 the fact thereof is disclosed to, or known by, the Board of Managers or a majority of the members thereof or noted in the minutes thereof, and the Board of Managers shall authorize, approve, or ratify such contract or transaction in good faith by a vote of two-thirds of the entire Board of Managers, not counting the vote of such re. Any such member of the Board of Managers may be counted in determining the presence of a quorum of any meeting of the Board of Managers that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 Liability of Managers.

(A) The members of the Board of Managers shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Board of Managers shall be liable thereto for his or her own bad faith or willful misconduct. In connection therewith, any member of the Board of Managers designated as such by Sponsor and Sponsor-designees shall not be deemed either to be in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Board of Managers and Sponsor or its agents, provided that any compensation paid, or to be paid, to Sponsor or its agents in connection with any such contract or transaction is disclosed in the Plan or an amendment thereto or in at competitive rates for goods sold or services rendered in Kings County.

(B) Every contract and other document executed, by or on behalf of the Board of Managers, 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 Board of Managers, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Board of Managers 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 Board of Managers nor any member thereof shall be liable for:

(i) any failure or interruption of any services to be obtained by, or on behalf of, the Board of Managers or to be paid for as a Common Element; or

(ii) any injury, loss, or death 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 severally indemnify and hold each of the Board of Managers 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 Board of Managers, 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. The liability of each Unit Owner on account of such indemnification will be limited to the extent specified in Section 4.12 hereof.

ARTICLE 3

OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. The Board of Managers 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 Board of Managers, by any two 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 Board of Managers.

Section 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 Board of Managers. The President shall have all of the general powers and duties that are incident to the office of President of a private 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 Board of Managers 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.

Section 3.3 Vice President. The Vice President, if any, 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 Board of Managers shall appoint some other member of the Board of Managers 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 Board of Managers or by the President.

Section 3.4 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers. The Secretary shall have charge of such books and papers and the Board of Managers 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.

Section 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 Board of Managers or in the name of the Managing Agent in such depositories as may from time to time be designated by the Board of Managers and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 Election, Term of Office of Officers. Each of the officers of the Board of Managers shall be elected annually by a majority vote of the Board of Managers taken at the organizational meeting of each New Board of Managers and shall serve at the pleasure of the Board of Managers. The President and the Vice President, if any, shall be elected from amongst the members of the Board of Managers. The other officers of the Condominium, however, need not be Unit Owners or members of the Board of Managers and need not have any interest in the Condominium.

Section 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 Board of managers at a meeting called for such purpose. In addition, any officer may resign at any time by giving written notice to the Board of Managers. Finally, if

the President or the Vice President of the Condominium shall cease to be a member of the Board of Managers 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.

Section 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Board of Managers at any regular meeting of the Board of Managers or at a special meeting thereof called for such purpose.

Section 3.9 Compensation No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 Liability of Officers:(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 Board of Managers 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 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 other arising from his or her acts or omissions an, 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

Section 4.1 Annual Meeting of the Unit Owners. The first annual meeting of the Unit Owners shall be held approximately one year after the First Unit Closing, at which meeting the incumbent three member Board of Managers shall resign and a successor five-member Board of Managers shall be elected by the Unit Owners and designated by Sponsor or its designees, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the last Tuesday in June of each year, unless such date shall occur on a legal holiday, in which event the meeting will be held on or about the succeeding business day. At each such subsequent meeting, the Unit Owners shall elect or the Sponsor or its designee shall designate, as the case may be, successors to the members of the Board of Managers.

Section 4.2 Special Meetings of Unit Owners The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Board of Managers or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than fifty (50%) percent of the Common Interests of all Unit Owners. 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.

Section 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 in Queens County as may be designated by the Board of Managers.

Section 4.4 Notice of Meetings.

(A) The Secretary of the Condominium shall give written notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote or designate members of the Board of Managers 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, no later than ten business days prior to the day fixed for such meeting; however the mailing of such notice to any Unit Owner, addressed at the Property, at least fifteen days prior to the day 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 Secretary of the Condominium not less than fifteen days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day

fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which more than fifty percent (50%) of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority in Common Interests of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, 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. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration these By-Laws, or the Condominium Act. All votes Of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 Order of Business. The order of business at all 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 members of the Board of Managers;
- (vi) Reports of committees;
- (vii) Election of inspectors of election (when so required);
- (viii) Election and designation of members of the Board of Managers (when so required); and
- (ix) Unfinished business.

Section 4.8 Voting.

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own one or more

Unsold Units) shall be entitled to cast one vote at all Meetings of the Unit Owners for each .0001% of Common Interest attributable to his or her Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Board of Managers has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Board of Managers nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Board of Managers or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more individuals, partnerships, corporations, associations, trustees or other entities (collectively Persons) own a Unit, they shall designate one Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote it takes. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum 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 Secretary of the Condominium 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 Secretary of the Condominium; however, no relocation 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 Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the Secretary of such meeting. Except with respect to the designation of a permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as proxy shall be effective for a period in excess of six months after the date thereof.

(E) Except when otherwise required by Law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

Section 4.9. Election of Members of the Board of Managers

(A) Sponsor may have voting control of the Board of Managers if Sponsor and Sponsor-designees, as Unit Owners of Unsold Units, are able to cast more than fifty (50%) percent of the votes, or from two years from the date of the first unit closing, whichever occurs first.

(B) In addition to the right of Sponsor and Sponsor-designees under paragraph (A) above, so long as the Common Interests attributable to any Units owned by Sponsor or Sponsor-designees equals, in the aggregate, 15% or more of the Common Interests of all Units, Sponsor and Sponsor-designees shall have the right to designate one member of the Board of Managers. Sponsor and Sponsor-designees may waive such right in writing.

(C) Each Unit Owner entitled to vote for members of the Board of Managers pursuant to this Section 4.9 shall be entitled to cast one vote for each .0001% of Common Interest attributable to his or her Unit(s) par to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one or more members to be elected. In addition, the terms of paragraphs (A) and (B) of Section 4.8 hereof shall apply to all elections of members of the Board of Managers.

(D) All elections of members of the Board of Managers shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation numbers(s) of the unit(s) owned by the voting Unit Owner; (iii) the amount of the Common Interest(s) appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (D) shall be discounted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election.

(E) All elections of members of the Board of Managers shall be determined by plurality vote.

Section 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 Unit Owners, sufficient in number (both in absolute number and in aggregate Common Interests) 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 resolutions to which they relate.

Section 4.11 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12 Contractual Liability of Unit Owners. Any contract made by the Board of Managers, by any officer of the Condominium, or by any superintendent or Managing Agent of the Property shall state (if obtainable and in addition to the limitation of liability of the members of the Board of Managers and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to (1) such proportionate shares of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest 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

Section 5.1 Maintenance and Repairs.

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs 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 and their frames and saddles (except painting the exterior side of Unit entrance doors and door backs), exposed plumbing, gas and heating fixtures and equipment, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's cost and expense;

(ii) in or to the Common Elements (other than Limited Common Elements and any Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof), and the painting of the exterior of Units and Building and all entrance doors and door backs shall be performed by the Board of Managers as a Common expense; and

(iii) in or to the Limited Common Elements shall be performed (a) by the Board of Managers as a Common Expense, if involving structural or extraordinary maintenance, repairs, or. replacements (including, but not limited to. repairs not caused by the act or omission of the Unit Owner having direct and exclusive access thereto) or (b) by the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving nonstructural ordinary maintenance, repairs or replacements or if caused by the act or omission of such Unit Owner.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report in writing delivered by certified mail to the Board of Managers or to the Managing Agent any defect or need for repairs for which the Board of Managers is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Board of Managers, 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 by the owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Building or any part thereof, whether structural or non-structural, ordinary or extraordinary, if 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 Board of Managers, the entire cost and expense thereof shall be borne by the Board of Managers 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, to the Buildings 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 in the Building and all other portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow , ice and accumulation of water with respect to any roofs or other part of the Property exposed to the elements) by the Unit Owner or the Board of Managers, whichever is responsible for the maintenance thereof as set forth herein and such Unit Owner or the Board of Managers, 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 of the Building exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Board of Managers, 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 the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her .Unit.

Section 5.2 Alterations Additions, Improvements or Repairs in or to the Units in and to the Units and Limited Common Elements.

(A) A non-structural alteration to a Unit or its appurtenant Limited Common Element that does not adversely affect the structure of the Building or the value of other Units or the Common Element that cannot be sighted from Bay 23rd Street, and that complies with all laws, may be made by any Unit Owner without consent of the Board of Managers. Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner shall make any structural alteration, addition, improvement, or repair in or to his or her Unit or its appurtenant Limited Common Elements, without the prior written approval of the Board of Managers. In the event, however, that the Board of managers shall fail to answer any written, reasonably detailed request for such approval within 30 days after such request is received, such failure to respond shall constitute the Board of Manager's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Board of Managers may, at its sole option, require that (i) all work shall be done by reputable contractors with adequate liability, property damage and workmens' compensation insurance (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction; (ii) the Unit Owner procure and agree to maintain during the course of such work such other insurance as the Board of Managers may reasonably prescribe; and (iii) the Unit Owner to execute an agreement, in form and substance satisfactory to the Board of Managers, 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 and that any additions shall be maintained in their entirety by said Unit Owner who shall be responsible for any repairs, including structural repairs, to such additions in any event, and to the Unit and any Common Elements whose such repairs become necessary due to additional stresses caused by the structural alteration or due to improper design or construction of the structural alteration. Anything contained herein to the contrary notwithstanding, until Sponsor or Sponsor-designees convey to all Units but in no event later than five (5) years after date of the First Unit Closing, Sponsor has the right to veto any action of the Board of Managers relating to any addition, alteration, improvement or change in or to the Common Elements, any Unit or any Building, provided, however, Sponsor may not veto such action if (1) such action is necessary to enable the Board of Managers of Managers or Unit Owner to comply with laws, rules regulations of any governmental authority having jurisdiction over the Condominium and (2) no other alternative is available after a discussion of the alternatives were considered at a meeting in which Sponsor was present, and further provided that Sponsor's veto is delivered by written notice within ten (10) days after Sponsor has notice of the proposed action.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor, any Sponsor-designee, any partner of any entity affiliated directly or indirectly with Sponsor, shall have the right pursuant to the terms of Article 15 of the Declaration, without the approval of the Board of Managers and without paying any cost

or charge to the Board of Managers to (i) make any alterations, additions, improvements, or repairs in or to any Units owned by them, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Units owned by them.

(C) All alterations, additions, improvements, and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Board of Managers shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereto for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit or its appurtenant Limited Common Elements, 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 Board of Managers pursuant to the terms of paragraph (A) hereof.

(D) Neither the Board of Managers 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) and appurtenant Limited Common Elements 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 caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property 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) and appurtenant Limited Common Elements shall agree (in a writing executed and delivered to the Board of Managers, if the Board of Managers shall request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Board of Managers, the members of the Board of Managers, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 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 Board of Managers, and the cost and expense thereof shall constitute a Common Expense.

Section 5.4 Insurance

(A) If the same shall be obtainable, the Board of Managers shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk coverage, insuring the Property (including all Units, Limited Common Elements, Common Elements, the exterior face of all walls, ceilings and floors in Units (other than those walls, ceilings and floor

erected by a Unit Owner other than Sponsor) and finished by Sponsor in accordance with the action titled Description of Property and Specifications in the Offering Plan and all bathroom and kitchen fixtures and appliances installed therein by Sponsor but not including appliances or any furniture, fixtures, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners and excluding the Land and covering the interests of the Condominium, the Board of Managers, the officers thereof, all of the Unit Owners all Permitted Mortgagees, XIAO RONG YANG, as the named insured, as their interests may appear, and the adjoining owner (to the extent required) as an additional insured. 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 Board of Managers and that all proceeds thereof shall be paid to either the Board of Managers 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 and its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers 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 10 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 named insured and additional insured at least 10 days prior to expiration of the then current policies.

(B) The Board of Managers shall 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 (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences due to his or her negligence; and

(ii) such other insurance as the Board of Managers shall from time to time determine.

(iii). During the period that the Sponsor controls the Board, the insurance coverage shall not be less than that required by the regulations of the New York State Department of Law.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another. Each of the aforementioned policies shall name the Persons described in paragraph (A) of Section 5.4 above as the named insured, and their respective interests may appear, or additional insured (to the extent required).

(C) All policies of insurance to be maintained by the Board of Managers shall contain such limits as the Board of Managers shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Board of Managers pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to the lesser of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, or the amount of insurance necessary to avoid the effects of coinsurance as approved by a fire insurance company, a qualified insurance broker, or another qualified source; and

(ii) with respect to insurance policies maintained by the Board of Managers pursuant to subparagraph (i) of paragraph (3) hereof, such policies shall contain single limits of not less than \$1,000,000 in the aggregate until the first regular meeting of the first five-member Board of Managers elected by the Unit Owners and will also cover cross-liability claims of one insurer against another.

Any insurance policies maintained by the Board of Managers may also provide for such deductible amounts as the Board of Manager shall determine. The Board of Managers 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 Board of Managers pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trusts appointed by the Board of Managers pursuant to the terms of these By-Laws, shall be borne by the Board of Managers as a Common Expense, subject to the adjustment provided in Section 6.1 of these By-Laws.

(E) Unit Owners shall not be prohibited from carrying and are advised to carry 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 Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 5.5 Casualty or Condemnation.

(A) In the event that either (i) any portion of the Property 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 are taken in condemnation or by eminent domain (hereinafter referred to as a Taking), the net insurance proceeds payable under insurance policies maintained by the Board of Managers 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 either to the Board of Managers, if the same shall be \$250,000.00 or less in the aggregate, or the Insurance Trustee, if the same shall exceed \$250,000.00 or less in the aggregate. 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 (k) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Board of Managers shall arrange for the prompt repair or restoration (hereinafter referred to as the Work) of: (I). In the event of a casualty loss, the portions of the Property (including all Units, the exposed face of all walls, ceilings and floors in the units, other than those walls ceilings and floors erected by a Unit owner other than the Sponsor) as finished by Sponsor in accordance with the Section of the Offering Plan entitled Description of Property and Specifications and all bathroom and kitchen fixtures installed therein by Sponsor, but not including appliances or any furniture, fixtures, 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 enclosed 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, its appurtenant Limited Common Elements, 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 reconstruction of his or her Unit and/or such Limited Common Elements.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Board of Managers 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 Board of Managers 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. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excesses 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 said Unit Owner's share of such 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 and for any projected deficiency in the amount of the Trust Funds available to the Board of Managers 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).

(D) If either 75% or more of the Units are 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 all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and aggregate Common Interests, 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 the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered useable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the

Omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate Only to the extent of any proceeds of rent insurance actually collected by the Board of Managers with respect to such Unit.

(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 fair value of such Unit after such taking bears to the total fair value of such Unit prior to such taking. The Board of Managers shall promptly prepare and record an amendment to the Declaration reflecting the New Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Units and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Board of Managers 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 either: (a) 60 days after the date upon which the Insurance Trustee notifies the Board of Managers and the Unit Owners that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Board of Managers and the Unit Owners that it has received Trust insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust funds are payable to the Board of Managers pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Board of Managers notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) promptly resolve shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Board of Managers or the Insurance Trustee, as the case may be, notifies the Unit Owners that it has received the Trust funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Board of Managers shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 Use of the Property.

(A) No nuisance or immoral activity shall be committed or permitted to occur in or about any Unit or upon any part of the Common Elements, nor shall any use or practice be allowed in a Unit 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 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 Board of Managers, 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 Board of Managers. 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.

Section 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.

(B) Each Unit shall be used only as a residence. Notwithstanding the foregoing, however, a portion of a Unit may be used for any home occupation, including as a professional office, by the resident thereof provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unit, applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. No illuminated or other sign may be used in

connection with the aforementioned use without the prior written consent of the Board of Managers.

(C) 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 or employees or partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (however, nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Additionally, in no event 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 © may be accommodated therein).

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Board of Managers or the Unit Owners;

(i) grant Permission for the use of any residential Unsold Unit for any home occupation, including as a professional office by the resident thereof provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such residential Unsold Unit; and

(ii) use any one or more residential Unsold Units as model units and offices for the sales, promotion, rental, at and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

Section 5.8 Use of the Common Elements.

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Buildings) 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. In addition, no furniture, doormats, packages or objects of any kind shall be placed in or on any part of the Common Elements, including but not limited to the lobby vestibule, public hall and stairways, (except for those areas designated as storage areas, if any) without the prior written consent of the Board of Managers.

(B) The owner or owners of any two or more Units, if such Units are the only Units serviced or benefited by any Common Element adjacent or appurtenant to such Units or (for example, that portion at the end of any hallway that is directly adjacent to any such Units located on opposite sides of such hallway) shall, with the consent of the Board of

Managers (which consent shall not be unreasonably withheld or delayed), have the right to use such Common Elements exclusively, as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at his, her or their sole cost and expense, both (i) operate, maintain and repair such Common Elements for so long as such owner or owners exercise such exclusive right of use and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor or its designee for so long as there are any residential Unsold Units. So long as Sponsor any Unit, Sponsor or its designee shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor or such designee, on or about any portion of the Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Buildings or adjacent to any entrance thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements, to sell, lease, manage or operate Unsold Units, to complete any work or repairs to the Buildings expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Offering Plan and the Condominium Documents. In addition, Sponsor and its designee shall be entitled to exercise the rights set forth in paragraph (B) of this Section 5.8 with respect to any residential Unsold Unit(s) without the necessity of obtaining the consent of either the Board of Managers or any other Unit Owners. In no event, however, shall Sponsor or such designee be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Rights of Access.

(A) subject to the rights of existing tenants and other occupants of residential Unsold Units, each Unit Owner shall grant to the Sponsor, to the Board of Managers, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a permanent right of access to his or her Unit and its appurtenant Limited Common Elements 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 of 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 Buildings;

(iv) reading, maintaining, or replacing utility motors 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 Buildings or for the safety of the occupants of the Buildings or other individuals, or required to avoid the suspension of any necessary service in the Buildings), 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 and their appurtenant Limited Common Elements 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) Each Unit Owner shall grant a right of access to his or her Unit and its appurtenant Limited Common Elements, and the Board of Managers shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Offering Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, in such a manner as will unreasonably interfere with the use of such Unit and Limited Common Elements for their permitted purposes.

Section 5.10 Modification of the Rules and Regulations. The Board of Managers 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 a vote of a majority in Common interests of Unit owners. Notwithstanding the foregoing, as long as Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor owns title to one or more Units, the Rules and Regulations may not be amended in a manner which would, in the sole discretion of Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor, adversely affect such Persons in any way, unless each such Person gives its prior

written consent to such amendment. Copies of the text of any amendments, modifications, addition, 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.

Section 5.11 Real Estate Taxes, Water Charges and Sewer Rents. Water for the Buildings shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, (i) the Unit Owners shall pay to the Board of Managers at least 15 days before same became due and payable the cost of any such taxes, charges and rents as a Special Assessment, (ii) the cost thereof shall be allocated among the owners of the Units in proportion to each Unit's Common Interest, and (iii) the Board of Managers shall collect such monies from the Unit Owners, hold such monies in trust and promptly pay such taxes, charges and rents before they are due, all as agent for the Unit Owners. In the event of a proposed sale of any Unit, the Board of Managers (for so long as the Board of Managers is still paying such real estate taxes, water charges and sewer rents as agent for the Unit Owners) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchasers 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 may act as an agent of each Unit Owner who has given his or her written authorization to complain or apply to the board of assessment review or the assessing agency by filing a single complaint on behalf of all such Unit Owners and to commence and prosecute a special proceeding for the review of assessments of real property as an aggrieved person. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and may charge all such Unit Owners a pro-rata share of expenses, disbursements and legal fees, for which charges the Board of Managers shall have a lien pursuant to the terms of these By-Laws.

Section 5.12 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 Element, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.13 Records and Audits.

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of accounts shall include, without limitation, (i) a listing of all receipts of and expenditures by the Board of Managers 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 four months after the end of each fiscal year of the Condominium, the Board of Managers shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Board of Managers as a Common Expense.

(C) The books of account and records of the Condominium may be examined by Unit Owners at convenient hours on weekdays.

ARTICLE 6

COMMON CHARGES

Section 6.1 Determination of Common Expenses & Fixing of Common Charges.

(A) From time to time, but not less frequently than once a year, the Board of Managers shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the limitations 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 among the Unit Owners pro-rata, in accordance with their respective Common Interests. This allocation and assessment of Common Charges is based upon the exclusive use of Limited Common Elements by certain Unit Owners, in a manner different from common profits and expenses and is expressly authorized hereby in accordance with Section 339-m of the Real Property Law. The Board of Managers shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them and, not later than 10 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 Board of Managers 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 now determination. Notwithstanding the foregoing, however, the Board of Managers shall not reduce the Common Charges payable during any year occurring within a period when Sponsor owns Units having more than 50% of the Common Interests of all Units solely as a result of either reducing the number of employees of the Condominium below the number employed for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing the insurance coverage below that provided for the Property

an such date, except with the concurrence of a majority of the members of the Board of Managers elected by Unit Owners other than Sponsor or its designee.

(B) The failure or delay of the Board of Managers 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 Board of Managers shall have the right, subject, in all respects, to the limitations contained in Section 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 Interest and may be payable either in one lump sum or in installments, as the Board of Managers shall determine, provided, however, that the Board of Managers shall give each Unit Owner not less than 15 days' written 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 purposes thereof. The Board of Managers 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).

(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 Board of Managers 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 Board of Managers 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 Board of Managers shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interest. 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 any Buildings 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.

Section 6.2 Payment of Common Charges.

(A) All Unit Owners (including Sponsor and Sponsor-designees with respect to Unsold Units, for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Board of Managers pursuant to the terms of Section 5.1 thereof at such time or times (but not less than annually) as the Board of Managers shall determine. Unless otherwise determined by the Board of Managers, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Board of Managers 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 and to any sums unpaid on a Permitted First Mortgage of record thereon.

(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 Units subsequent to a sale, transfer, or other conveyance by his 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 Mortgage acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale hold 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 Assessment 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 Board of Managers or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefore 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; (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit and (iv) at the time of conveyance, and in the event that the Unit Owner shall deposit with the Board of Managers an amount equal to the product of the then

current monthly debt service on the Permitted Mortgage multiplied by 24. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Board of Managers and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing.

(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 Board of Managers, without compensation, pursuant to the terms of paragraph (c) hereof. Except as expressly provided to the contrary in paragraph (3) 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; (ii) 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 Section 5.1, 5.2 or 5.3 hereof; or (iii) any action taken by the Board of Managers or the officers of the Condominium to comply with Law.

(E) Notwithstanding anything to the contrary, until such time as Sponsor has substantially completed construction of all the Units and Common Elements, Sponsor's obligation to pay Common Charges and Special Assessments with respect to Unsold Units shall not exceed the amount by which the actual operating costs of the Condominium (including reserves authorized hereunder) shall exceed the sum of the Common Charges and Special Assessments levied on Unit owners (other than Sponsor).

Section 6.3 Statement of Common Charges. The Board of Managers 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 books of account of the Condominium at reasonable times on weekdays.

Section 6.4 Default in Payment of Common Charges.

(A) The Board of Managers shall take prompt action to collect any Common Charges due to the Board of Managers that remains unpaid for more than fifteen (15) days after the due date for the payment thereof. In connection therewith, the Board of Managers shall have the right to cause liens for all sums due and owing to the Board of Managers to be filed with the Register's Office pursuant to the terms of Section 399-s 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 necessary or desirable by the Board of Managers to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Board of Managers 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 or Special Assessments, such Unit Owner shall be obligated to pay each month a late charge of five (5) cents for each dollar of such amounts which remain unpaid for more than five days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), together with all costs and expenses paid or incurred by the Board of Managers, the Managing Agent, or the member(if any) in connection with collecting such unpaid Common Charges or Special Assessment with interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate permitted by law) and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. The late charge shall be imposed for each month that the Common Charges shall remain unpaid for any portion of the month. In addition, if the Board of Managers shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will 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 late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges or Special Assessments payable by such Unit Owner.

(C) In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Board of Managers 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 Unit). 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.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 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 Board of Managers, and, if the Board of Managers shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Board of Managers 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 Board of Managers for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 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 apportioned Limited Common Element, if any, 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 OR 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 SAID 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 send written notice thereof to the Board of Managers 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 and apportioned Limited Common Element, if any, and, or to lease his or her Unit, as the case may be, to the Board of Managers 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 Board of Managers, 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 Board of Managers, the Offeree Unit Owner shall submit to the Board of Managers, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Board of Managers may reasonably request.

(C) The Board of Managers may elect, by sending written notice thereof to the Offeree Unit owner by certified or registered mail not later than 15 business days 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 and apportioned Limited Common

Element, if any, 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 term and conditions as were contained in the Sale or Lease Agreement at 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. Notwithstanding anything to the contrary contained herein, however, the Board of Managers shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority in Common Interests of Unit Owners.

Section 7.3 Acceptance of Offer.

(A) In the event that the Board of Managers shall elect, within the time provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests and apportioned Limited Common Element, if anyone 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 Board of Managers shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests and apportioned Limited Common Element, if any, are to be purchased by the Board of Managers 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 Board of Managers 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 Board of Managers 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 and apportioned Limited Common Element, if any. In addition, if the Outside Offeror was to seem 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 Board of Managers 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 and apportioned Limited Common Element, if any, to the Board of Managers or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-0 of Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offerees Unit Owner who shall also pay all other transfer taxes, gains taxes and any other 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 charges, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Board of Managers 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 Board of Managers or its

designee, on behalf of all Unit Owners, as tenants-in-common, in proportion to their respective Common Interests, 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) In the event that such Unit is to be leased by the Board of Managers or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Board of managers or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Board of Managers 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 and shall comply with paragraph (C) of Section 7.4. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, however, such lease shall expressly provide that the Board of Managers or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 Failure to Accept Offer.

(A) In the event that the Board of Managers shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the time 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 one hundred and twenty days after (i) notice of refusal is sent to the Offeree Unit Owner by the Board of Managers or (ii) the expiration of the period within which the Board of Managers 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 120-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests and apportioned Limited Common Elements, if any 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 and apportioned Limited Common Elements, if any 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 Board of Managers. 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 materially amended or modified, or extended without the prior written consent of the Board of Managers 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 Board of Managers in each instance; and

(iii) the Board of Managers 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-x of the Condominium Act.

Section 7.5 Termination of and Exceptions to The Right of First Refusal

(A) A certificate executed and acknowledged by the Secretary of the Condominium 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 Board of Managers and that, as a result thereof, the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers 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 and apportioned Limited Common Elements, if any may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Board of Managers shall furnish or cause the Managing Agent to furnish 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 Board of Managers (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 Board of Managers 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 and apportioned Limited Common Elements, if any by:

(i) the Owner of such Unit either to any of his or her adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, or to any affiliate of such Owner. Notwithstanding anything to the contrary contained in subsection (B) above, the Owner shall comply with the notice requirements of Section 7.2(A);

(ii) Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor;

(iii) the Board of Managers;

(iv) 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; or

(v) any Permitted Mortgagee or his or her 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;

(vi) Owner of such Unit by gift, as a devise by will or through intestacy; provided, however, that each succeeding Unit owner shall be bound by, and his or her Unit shall continue to be subject to, all of the terms and conditions of this Article 7. The sale, lease or conveyance by any of the Persons described in this paragraph (B) shall be on such terms as such Persons shall determine and with respect to leasing, without limitation as to the rental to be charged therefor except such rents shall not be in violation of any applicable law.

(vii). The sale or lease of a unit by the Board of Managers must be approved by at least 50% of the unit owners, both in number and in common elements.

Section 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 or its apportioned Limited Common Element, if any, 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 letter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests or its apportioned Limited Common Element, if any 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 and which such Limited Common Elements are included 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.

Section 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 Board of Managers 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.

Section 7.8 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the now 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 Sponsor or its designee, or, if Sponsor or its designee is not then the owner of any Unsold Unit, to the Board of Managers) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form required by the Board of Managers.

Section 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 and its apportioned Limited Common Element, if any, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 7.

Section 7.10 Fees and Charges. The Board of Managers shall have the right to require the Offeree Unit Owner to pay a fee to the Board of Managers and/or the Managing Agent to cover reasonable expenses of the Board of Managers and the Managing Agent in connection with the sale or lease of a Unit pursuant to the provisions of this Article 7 except such charges and fees shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor. Any other fees in connection with the sale or lease of a Unit may only be enacted by action of Unit Owners except any such fee shall not apply to a sale or lease of any Unit by Sponsor, any Sponsor-designee or any partner of any entity affiliated directly or indirectly with Sponsor.

ARTICLE 8

MORTGAGING OF UNITS

Section 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 Board of Managers at its request with the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. Any Unit Owner who satisfies a mortgage covering his or her Unit shall so notify the Board of Managers and shall file a conformed copy of the satisfaction of mortgage with the Board of Managers. The Secretary of the Condominium shall maintain such information in a book entitled Mortgagees of Units.

Section 8.2 Restrictions on

(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 Board of Managers 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 any 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.

Section 8.3 Notice of Unpaid Common Charges Default. Whenever requested in writing by a Permitted Mortgagee, the Board of Managers 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 Board of Managers has knowledge as then exists. The Board of Managers 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 Board of Managers 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 Board of Managers shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Board of Managers shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Board of Managers 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 Board of Managers pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 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 Board of Managers 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.

Section 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.

Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives.

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgages shall be required with respect to any determination or act of the Board of Managers or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgages against his or her mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or those By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than three Mortgage Representatives by giving written notice thereof to the Board of Managers, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration of these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Board of Managers. Unless otherwise required by Law, no holders of mortgages encumbering Units other than Permitted Mortgagees who hold Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 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 or its appurtenant Limited Common Elements 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 Board of Managers, 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 Board of Managers shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common elements 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 Board of Managers shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of a Building or the Property or for the safety of the occupants of a Building or the Property or other individuals or is required to avoid the suspension of any necessary service in a Building or to the Property, the Board of Managers 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 a notice to cure such violation or breach.

Section 9.2 Abatement and Enjoinment.

(A) 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 Board of Managers 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.

(B) The violation or breach of any of the terms of the Condominium documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or its designee shall give to Sponsor or such designee the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 Remedies Cumulative. The remedies specifically granted to the Board of Managers or to Sponsor or its designee 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 Board of Managers or Sponsor or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Board of Managers 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 (ii) Sponsor in connection with any abatement, enjoinder, or remedy of any violation or breach of the Condominium documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Board of Managers or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Board of Managers or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two (2%) percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Board of Managers pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10 ARBITRATION

Section 10.1 Procedure. Any matter permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any Successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the Queens County. The decision of the arbitrator so chosen shall be given within 10 days after his or her selection or appointment.

Section 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".

Section 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.

Section 10.4 Costs and Expenses.

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses 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 Board of Managers 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

Section-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 Board of Managers, to the Board of Managers 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 other than Sponsor or its designee, to such Unit owner at his or her address at the Property;

(iii). if to Sponsor or its designee, to Sponsor or such designee, with a copy to Thomas E. Berinato, Esq., 123-40 83rd Avenue, Suite 1D, Kew Gardens, N.Y. 11415; or

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Board of Managers.

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 term 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 States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 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

AMENDMENT TO BY-LAWS

Section 12.1 General.

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(a), and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 66 2/3% in number and aggregate Common Interests or 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 County Clerk's Office by or on behalf of the Board of Managers an attorney-in-fact of all Unit Owner, 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. to such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the County Clerk's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

the provisions of the By-Laws relating to the Use Of Units or the Common Interest appurtenant to or Common Interest allocated to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (E) of Section 5.5 hereof; no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted (in addition to the consent, if required, of the Mortgage Representatives as provided above) without the consent of more than eighty percent in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition, or deletion in writing.

Section 12.2 Special

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor or its designee without the consent of the Board of Managers or the Unit Owners shall be embodied in an instrument executed and recorded in the County Clerk's Office by Sponsor or such designee as attorney-in-fact of both the Board of Managers and all Unit owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor or such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth in the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the County Clerk's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws or the Rules and Regulations of the Condominium shall be effective in any respect against Sponsor or Sponsor-designee, any Unsold Unit or the holder of any present or future mortgage, pledge, lien, or security agreement covering any Unsold Unit, unless and until Sponsor, Sponsor-designee and/or such holder (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5, or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 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 subleasee of a Unit Owner, an occupant of a Unit, a member of the Board of Managers, 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 herein, and take such other action as such other Person may reasonably 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.

Section 13.2 Failure to Refusal to Act.

(A) 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 deliver or to take pursuant to these By-Laws, then the Board of Managers 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.

(B) If the Board of Managers, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to make or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action that the Board of Managers, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Board of Managers, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the of the Board of Managers, such Unit Owner, or other Person, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other Person.

ARTICLE 14

Miscellaneous

Section 14.1 Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Typical Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board of Managers and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 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.

Section 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.

Section 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.

Section 14.5 Successors and Assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assigns of Sponsor or, with the consent of Sponsor, any transferee of all of the then Unsold Units.

Section 14.6 Gender. A reference in these By-Laws to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 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 those By-Laws or the intent of any provision hereof.

Section 14.8 Real Estate Tax Assessments. Real estate tax assessments against each Unit may be appealed by the owner of such Unit. The Board of Managers, may, at its option, appeal the real estate assessments against one or more Units.

Section 14.9 Qualifications of Managers: After the initial Sponsor control period, a Majority of the board of managers must be owner occupants or members of an owner occupant's household who are unrelated to the sponsor or its principals.

**Addendum to the By-Laws of
The Condominium of the
Premises Known as
THE 27-21 27th STREET CONDOMINIUM**

RULES AND REGULATIONS

1. The Units may be used only for private residential use, except that a Unit Owner may use a portion of his or her Unit for any home occupation use, including as a professional office, permitted under the then existing Certificate of Occupancy covering such Unit, applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. In the event that any Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule. No illuminated or other sign may be used in connection with the aforementioned use without the prior written consent of the Board of Managers. Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise shall be conducted, maintained or permitted in any part of the Units or Common Elements.

Smoking is not permitted anywhere in the building (except inside units) including common areas. Smoking is permitted inside units. The smoking policy is intended to be the same as the policies set forth in the Smoke Free Air Act. NYC Administrative Code § 17-505. ("SFAA"). SFAA does not prohibit smoking in private units or apartments or other private residences (except in areas where child day care centers or health care facilities operate and are open or employees are working).

2. No "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising shall be maintained or permitted in any Unit or adjoining Common Elements, nor shall any Unit be rented for transient, hotel or motel purposes. Notwithstanding the foregoing, Sponsor and Sponsor-designees reserve the right to place "For Sale", "For Rent", "For Lease, or similar signs on any unoccupied Units or Unsold Units.

Notwithstanding the foregoing, Sponsor and Sponsor-designees also shall have the right to place "For Sale", "For Rent", "For Lease" or similar signs on or in the vicinity of the Buildings. Additionally, as previously set forth, Sponsor, and its designees, reserves the right to maintain and staff one or more vacant and Unsold Units as a sales office and/or model Unit.

3. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Board of Managers or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property be colored or painted.

4. No exterior shades, window guards, awnings, ventilators, fans or air-conditioning devices or units shall be used or installed in or about any Unit without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers nor shall anything be projected out of any window of any Unit without similar approval.

5. No radio or television aerial shall be attached to or hung by a Unit Owner from the exterior of the Buildings without written approval of the Board of Managers and nothing shall be projected from any window of a Unit without approval in writing by the Board of Managers or the Managing Agent. Upon request of any Unit Owner, the Board of Managers shall allow the installation of any hook up necessary to provide cable television service to the Units.

6. No Unit Owner shall be allowed to put his or her name on any entry to the Buildings or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes. Except as otherwise provided in the Condominium Documents, no sign, notice, lettering or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Unit or adjoining Common Element without prior written approval of the Board of Managers, nor shall anything be projected out of any window of the Buildings without similar prior written approval.

7. No exterior of any Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Owner in any manner. No exterior walls adjacent to the patios shall be painted except as approved by the Board of Managers.

8. Plantings on any patio shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the patio surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such patio, but shall stand on supports at least two inches above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition.

Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings. Unit Owners may not remove nor permit to be removed any existing trees on the patios.

9. Each Unit Owner shall keep his or her Unit and its appurtenant Limited Common Elements in a good state of preservation, condition, repair and cleanliness.

10. No fences or permanent barriers are permitted on the patios.

11. No lockable gates where there are fences are allowed in order to permit egress through the patios and maintenance of the Common Elements by the Superintendent.

12. A Unit Owner with the exclusive right to a patio may not use the patio for cooking except for occasional barbecues.

13. The area of the patio beneath the fire escapes drop ladder shall be clear of any objects at all times.

14. All garbage and refuse from the Buildings shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose and placed in the garbage receptacles which have been provided by the Condominium.

15. No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung or shaken from any doors, windows, fire escapes or backyards, or placed upon the window sills, of the Buildings, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom. Any laundry line installed in the patios shall not interfere with or hinder the exit passage at the gates in the patios.

16. Unit Owners shall be permitted to keep animals as pets provided that any pet does not interfere with the use and enjoyment of the Property or any Buildings by the other Unit owners. In no event shall dogs or cats be permitted in any of the public portions of the Property unless carried or on a leash. Each Unit Owner who keeps an animal in his or her Unit shall indemnify the Board of Managers and hold it harmless against any loss or liability of any kind or character whatsoever arising from or as a result of having an animal in the Buildings. Notwithstanding the foregoing, the Board of Managers shall have the right to limit the number of animals kept by a Unit Owner or to prohibit an animal, which the Board of Managers determines to be interfering with the use and enjoyment of the Property or Buildings by the other Unit Owners. Animals shall not be kept and perishable goods shall not be stored on the patios.

17. No unlawful use shall be made of the Property or any part thereof, and all valid law, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

18. No Unit shall be used or occupied in such manner as to constitute a nuisance and no immoral activity shall be committed or permitted to occur in or about any Unit or upon any part of the Common Elements.

19. No Unit Owner shall make cause or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his or her Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. 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 repair work is necessitated by an emergency. No Unit Owner shall, make, cause or permit any loud music, noise or bright lights in the patios which may interfere with the rights, comforts or conveniences of the other Unit Owners or neighbors to the Buildings.

20. All damage to the Buildings or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such articles

21. Any damage to the Buildings or equipment caused by Unit Owners, Unit Owners' Family Members, their guests, visitors, clients, patients or employees shall be repaired at the expense of the said Unit Owner.

22. No Unit Owner or any Unit Owner's family member, visitor, guest patient, employee or any client of a Unit owner shall be allowed in the heating, electrical or mechanical equipment areas (unless contained in the Units) without the express permission of the Board of Managers.

23. No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus, which are part of the Common Elements and not part of the Unit Owner's Unit.

24. No Unit Owner shall use or permit to be brought into a Building any inflammable oils or fluids such as gasoline, kerosene, naptha, benzine, or other explosives or articles deemed extra hazardous to life, limb, or property without in each case obtaining the prior written consent of the Board of Managers.

25. Certain parts of the Common Elements are intended for use for the purpose of affording pedestrian movement within the Condominium and for providing access to the Units. No part of the Common Elements shall be obstructed as to interfere with its use for the purposes hereinabove recited. No part of the Common Elements shall be used for general storage purposes, unless specifically designated for such use by the Board of Managers.

26. The sidewalks, entrances, passages public halls, vestibules, corridors and stairways appurtenant to the Property shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a Family Member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from the Buildings by another vehicle.

27. No personal articles (including, but not limited to, garbage cans, bottles or mats) and no furniture, artwork, equipment or doormats shall be placed or stored in Common Elements. No Unit Owner shall change or alter in any way the design, layout, color scheme or furnishings in Common Elements. No objects of any kind shall be placed below the drop ladders of the fire escapes at any time.

28. The Board of Managers 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.

29. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Buildings, or the contents thereof, without the prior written consent of the Board of Managers. 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 or increase in premiums for insurance on the Buildings, or the contents thereof, or that would be in violation of any Law.

30. Water-closets and other water apparatus in the Buildings shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, paper ashes or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus shall be repaired and paid for by the Unit Owner causing such damage.

31. Sponsor or its designee, the agents of the Board of Managers, and any contractor or workman authorized by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the Condominium.

32. The agents of the Board of Managers or the Managing Agent, and any contractor or workman authorized by the Board of Managers 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 all 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.

33. The Board of Managers or the Managing Agent shall retain a pass-key to each Unit. No Unit Owner shall change any lock on any door, leading into his or her Unit without the prior written consent of the Board of Managers. As a condition to obtaining such consent, the Unit Owner must provide the Board of Managers with a key to such changed lock-for their use. If a Unit Owner fails to provide the Board of Managers with all keys necessary to gain entrance to such Unit Owner's Unit, promptly after such Unit owner moves into his or her Unit, then Sponsor shall be automatically released from any obligation it may have for correcting defects in or making repairs to such Unit. If Sponsor or the Board of Managers must gain access to a Unit for emergency purposes and a Unit Owner has not furnished a key to the Board of Managers as provided in this paragraph, then the affected Unit Owner shall be liable and responsible for any damage to the Common Elements or such Unit caused by Sponsor or the Board of Managers in gaining access to such Unit. Furthermore, if the Unit Owner is not personally present to open and to permit an entry to his or her Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board of Managers or the Managing Agent, then the Board of Managers 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).

34. If any key or keys are entrusted by a Unit Owner, by any Family or 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 Board of Managers nor the Managing Agent shall be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

35. No Unit Owner or other occupant of the Buildings shall use any employee of the Condominium or of the Managing Agent for private business or send any employee of the Condominium or of the Managing Agent out of the Buildings on any private business without the written consent of the Board of Managers except as a real estate broker for the sale or lease of a Unit.

36. Any consent or approval given under those Rules and Regulations may be amended, modified or added to at any time by resolution of the Board of Managers. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

37. Complaints regarding the management of the Buildings and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

38. The Rules and Regulations govern the use of the Units and Limited Common Elements and may be amended from time to time by the Board of Managers. All complaints shall be made only to the Board of Managers, which alone may enforce the Rules and Regulations, and the Board of Managers may waive in its sole and absolute discretion any violation hereof.

§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 a 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 a 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.

(Added L.1988, c.709, §1.)

HISTORICAL AND STATUTORY NOTES

Effective Date; Applicability. Section effective Mar. 1, 1989, and applicable to contracts of sale for new homes entered into on or after such date, pursuant to Section 3 of L.1988, c. 709, set out as a note under General Business Law § 777.

WEST'S McKINNEY'S FORMS

Notice of claim for breach of housing merchant implied warranty on sale of new home, see RPP Forms § 2:105A.

Complaint for breach of housing merchant implied warranty on sale of new home, see RPP forms § 2:105B.

Judgment in action for breach of housing merchant implied warranty on sale of new home, see RPP Forms § 2:105C.

The following forms appear in Selected Consolidated Laws under General Business Law § 777-a:

Implied warranty on sale of new home-notice of claim for breach of housing merchant warranty, see SCL, GEN BUS § 777-a, Form 1.

Implied warranty on sale of new home-complaint for breach of housing merchant warranty, see SCL, GEN BUS § 777-a, Form 2.

Implied warranty on sale of new home-judgment in action for breach of housing merchant warranty, see SCL, GEN BUS § 777-a, Form 3.

EXHIBIT A-1
CERTIFICATION OF SPONSOR AND
SPONSOR'S PRINCIPAL PURSUANT TO
SEC. 20.4(b) OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A AS AMENDED

New York State Department of Law
28 Liberty Street
New York, New York 10005
Attention: Real Estate Financing Bureau

RE: The 27-21 27th Street Condominium
 27-21 27th Street
 Astoria, New York

Dear Sir/Madam:

The undersigned certifies as follows:

We are the sponsor and the principals of Sponsor of the Condominium Offering Plan for the captioned property.

We understand that we have the 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 to amend or supplement the offering plan will:

- (i) set forth the detailed terms of the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by the existing circumstances;

(vii) 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 representations or statements made.

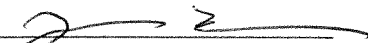
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

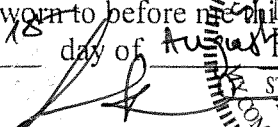
(SPONSORS)

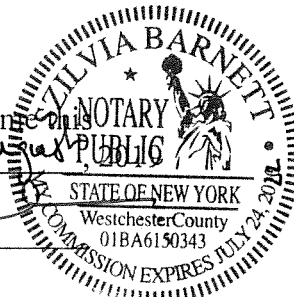
KST2 PROPERTIES, LLC

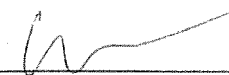
By: 
Janos Kanta, Member

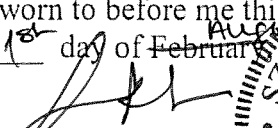
Principals of Sponsor:

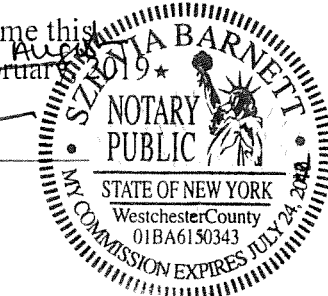

Janos Kanta

Sworn to before me this 18 day of August, 2019

Notary Public




Kenneth Tolley

Sworn to before me this 18 day of February, 2019

Notary Public





OFFICE 718.777.5200 · FAX 718.777.5202 · 22-02 STEINWAY STREET · ASTORIA, NY 11105

00-2. CERTIFICATION BY ARCHITECT OR ENGINEER PURSUANT TO 13 NYCRR 20.4(C) 1)

October 9, 2019

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

RE: **The 27-21 27th Street Condominium**
 27-21 27th Street
 Astoria, New York 11102

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction of the property (hereinafter "the Report"). I visually inspected the property on July 19th, 2019. I prepared the building plans and specifications dated April 23, 2018 and prepared the original report dated October 4, 2019, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon.

I am a licensed Registered Architect in the State 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 construction, provided that construction is in accordance with the Plans and specifications that I prepared;

(ii) in my/our professional opinion affords potential investors, Purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

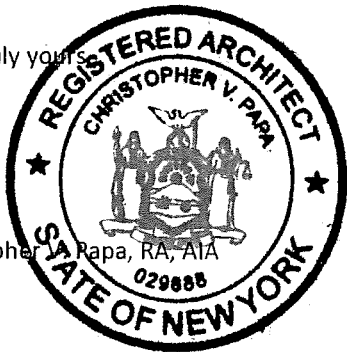
(vii) does not contain any representation or statement which is false, where I:

- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representation or statement made.

I further certify that we are not owned or controlled by and have no beneficial interest in the Sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a Condominium or 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.

Very truly yours,

Christopher V. Papa, RA, AIA



Sworn to before me this 9 day of Oct, 2019

A handwritten signature in cursive script, likely belonging to the Notary Public, Thomas E. Berinato.

NOTARY PUBLIC, STATE OF NEW YORK

THOMAS E. BERINATO
Notary Public, State of New York
Qualified in Queens County
#02BE4830163
Commission Expires June 30, 2023

EXHIBIT A-3

CERTIFICATION OF EXPERT
PURSUANT TO SECTION 20.4(d) and 22.2(c) (3) (i) (c) OF THE
REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED

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

Attention: Real Estate Financing Bureau

RE: The 27-21 27th Street Condominium
27-21 27th Street Avenue
Long Island City, New York

Dear Sir/Madam:

The sponsor of the Condominium Offering Plan for the captioned property retained me to review Schedules B and B-1 containing projections of income and expenses for the first year of condominium operation. My experience in this field includes managing residential and commercial real estate in New York City since 1990 and acting as a real estate agent in Astoria for over 30 years, performing appraisals, and advising on issues of preventative maintenance, property taxes, budgeting and marketing throughout Queens. I am a real estate broker licensed in New York State.

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 Schedules B and B-1.

I have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that Schedule B does:

(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 facts;

(iv) does not contain any untrue statement of a material fact;

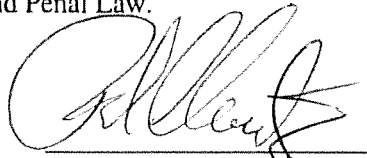
(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

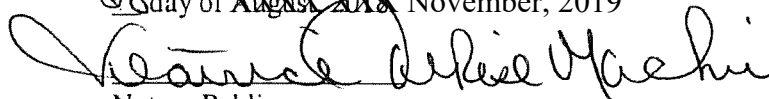
I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of this Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

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.


PAUL HAVATZIS

Sworn to before me this

28 day of ~~XXXX~~ ~~2018~~ November, 2019


Notary Public

LENE E. DERISE-MACHIN
Notary Public, State of New York
#000055056004
Qualified in Queens County
Commission Expires Feb. 20, 2022