CONDOMINIUM OFFERING PLAN

FOR

THE RESIDENTIAL SECTION

OF

807 MANHATTAN AVENUE CONDOMINIUM

1080 Lorimer Street
Brooklyn, Kings County, New York 11222

Offering of Twenty-Nine (29) Residential Units.....$55,139,000
Ten (10) Storage Bin Licenses.....$ 200,000
Total Amount of Offering.....$55,339,000

Sponsor:
807 Manhattan Avenue LLC
38 East 29th Street-9th Floor
New York, New York 10016

Selling Agent:
MNS Real Estate
97 N. 10th Street, 2C
Brooklyn, New York 11249

The Condominium will contain twenty-nine (29) Residential Units and ten (10) Storage Bin Licenses offered for sale under this Plan. The Condominium will include a Commercial Unit owned by a party unrelated to Sponsor and which is not being offered for sale under this Plan.

The approximate date of first offering to the public is December 10, 2019. This Plan may not be used after December 10, 2020, unless extended by amendment.

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

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD OF MANAGERS UNDER THE TERMS OF THE PLAN. SPONSOR MAY CONTROL THE RESIDENTIAL BOARD INDEFINITELY AND NON-SPONSOR AFFILIATED UNIT OWNERS MAY NEVER GAIN CONTROL OF THE RESIDENTIAL BOARD. (SEE SPECIAL RISKS SECTION OF THE PLAN.)

THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINUUM 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 UNITS. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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SPECIAL RISKS

1. Control by Sponsor of the Residential Board

The Sponsor shall have voting control over the Residential Board until, but no later than, thirty (30) days after the Closing of Title with Purchasers under the Plan to all Residential Units offered for sale ("Sponsor Initial Control Period"). During the Sponsor Initial Control Period, at all elections of the Residential Board, Sponsor shall have the right to designate a majority (three (3) of five (5)) of the members of the Residential Board and shall have voting control. Sponsor shall also have the right to cast its votes for non-Sponsor-related nominees to the Residential Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Residential Board, and will determine the Residential Common Charges to be paid by all Residential Unit Owners. **SPONSOR MAY CONTROL THE BOARD INDEFINTIELY AND NON-SPONSOR AFFILIATED UNIT OWNERS MAY NEVER GAIN CONTROL OF THE BOARD.** Notwithstanding Sponsor's control of the Residential Board during the Sponsor Initial Control Period, members of the Board owe a fiduciary duty to **all** Unit Owners. If there are non-Sponsor affiliated members of the Residential Board and the issue of whether to sue Sponsor is raised, the Sponsor-related members of the Residential Board cannot lawfully vote on such an issue.

Until the sooner of (i) the date on which the Common Interest of all Unsold Residential Units is in the aggregate less than 25% of the Common Interests of all Residential Units, or (ii) the fifth anniversary of the First Closing Date, neither the Board of Managers, Residential Board nor officers, nor Residential Unit Owners, except upon the written consent of the owners of Unsold Residential Units representing a majority of the Common Interests allocated to all Unsold Residential Units, shall (a) increase the number or change the type of employees described in Schedule B; (b) provide for services other than those described in Schedule B unless the total annual cost of all services to be provided is no greater than the then estimated total cost of the services described in Schedule B; (c) establish reserves or similar funds to undertake any capital or major improvements or additions except as required by law or regulation; (d) remove any member of the Residential Board of Managers elected by the owners of Unsold Residential Units except for cause; or (e) cause their representatives on the Residential Board of Managers to (i) change the insurance coverage on the Property from the coverage described in Schedule B unless the change does not cause an increase in the total annual insurance premiums then due and payable by the Condominium or unless such change is required by the holder of any mortgage on any Unsold Residential Unit or by the insurance carrier insuring the Property to satisfy insurance requirements that are the responsibility of the Residential Board of Managers or (ii) take any action inconsistent with (a), (b), (c) or (d). See "**Control by Sponsor**." Nothing contained herein shall prevent the Residential Board from making expenditures, and imposing assessments to pay for them (1) to comply with any applicable law or regulation; (2) in order to correct a violation of record; (3) to comply with an order from an insurance company; or (4) to pay for increased common charges that result from the terms of an elevator maintenance, sprinkler system and/or fire protective alarm system service contract for which there was no charge during the first year of condominium operation but for which such services were provided during such first year at no charge due to the terms of an installation contract. Prospective Purchasers should note, however, that the Projected Budget for the First Year of Condominium Ownership does provide for the full charges for these service contracts and that there is no instance of no such charge due to the terms of an installation contract. See "**Schedule B"**.

2. Resident/Non-Resident Possible Conflicts

Sponsor may sell Residential Units to investors. Since the Condominium's By-laws do not provide that after the Sponsor Initial Control Period, a majority of the Residential Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals, it should be noted that owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing, i.e., the purchase of a home as opposed to an investment. It should also be noted that Purchasers for their own occupancy may never gain control of the Residential Board of Managers under this Plan. See **"Residential of Managers."**

3. No Financing Contingency

Although a Purchaser is free to apply for a loan to finance the purchase of a Residential Unit, the obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. The Purchase Agreement that Purchaser shall be required to sign is not contingent upon Purchaser obtaining such financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Accordingly, if a Purchaser applies for and is denied a loan, Purchaser shall still be obligated to close under the Purchase Agreement. If Purchaser fails to close under the Purchase Agreement, Purchaser may forfeit the down payment paid under the Purchase Agreement as liquidated damages. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability or cost of such financing. See "**Procedure to Purchase**."

If a Purchaser is relying upon financing, Purchaser will assume the risks of meeting all conditions and requirements of the lender to obtain and fund the loan on the date set by Sponsor for closing of title under the Purchase Agreement, including conditions and requirements that may be beyond Purchaser's control, such as: meeting all requirements concerning Purchaser; meeting a requirement for a certain percentage of Residential Units to be "owner-occupied " and losing a "lock in" interest rate because closing of title fails to occur before the expiration of the period within which the loan must close to obtain the locked in rate. A prospective Purchaser who is relying on financing is advised to inquire with a proposed lender or mortgage broker as to whether the purchaser will qualify before entering into a Purchase Agreement. See "**Financing for Qualified Purchasers**".

4. Liquidated Damages As to a Defaulting Purchaser – Time of Essence

Purchaser will make a down payment of 10% of the Purchase Price upon signing the Purchase Agreement. After this Plan has been declared effective and at such time as Sponsor is preparing to consummate the Plan, the Sponsor shall fix dates for closing title to all Residential Units (each a "Closing Notice") for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's Closing Date, which notice shall be served not less than thirty (30) days before the date set for the closing of the Units, except if the particular Purchaser shall waive the requirement of 30 days' notice. The balance of the Purchase Price shall be payable on the Closing Date by a bank cashier's check drawn on, a bank which is acceptable to the Sponsor and which is a member of the New York Clearing House Association, to the order of Sponsor or such other payee as Sponsor may direct. Notwithstanding the foregoing, if the date of the Purchase Agreement is after the closing of the sale of the first Residential Unit under the Plan, then the Closing Date shall be that date which is 45 days after the date of the Purchase Agreement and Seller shall not be required to give Purchaser the Initial Closing Notice. In the event that a Purchaser

defaults under a Purchase Agreement, Sponsor is required to first give written notice of default. A defaulting Purchaser shall have thirty (30) days after Sponsor has given such written notice of default within which to cure such default. Time is of the essence to cure such a default. If a defaulting Purchaser fails to cure such default by the expiration of such thirty (30) day period such Purchaser shall forfeit the Down Payment as liquidated damages not to exceed ten (10%) percent of the Purchase Price plus Extra Work Funds to the extent such Extra Work Funds have been actually expended by Sponsor. Sponsor must first give the thirty (30) day notice described in this paragraph before forfeiture of a down payment may be declared. Sponsor shall also have the alternative right to bring an action against Purchaser for specific performance of the Purchase Agreement. See **"Procedure to Purchase."**

5. Sponsor's Right to Rent Residential Units

Under this Plan, Sponsor has reserved the unconditional right to rent Residential Units rather than to sell them after the Plan has been consummated. However, under the Construction Loan, Sponsor is prohibited from renting any Residential Unit without the Construction Lender's consent in its discretion. Sponsor intends to satisfy the Construction Loan from the proceeds of sales of Residential Units. In order to release a sold Residential Unit from the lien of the Construction Loan, the Lender requires a minimum release price which can generally be defined as all proceeds from the sale of a Residential Unit less closing costs. The Construction Loan comes due on or about November 30, 2021 (the "Maturity Date") (with the right to one (1) one (1) year extension option which can extend the Term of the Construction Loan to November 30, 2022 (the "Extended Maturity Date")). In the event that the proceeds of sales from Residential Units is inadequate to fully satisfy the Construction Loan by the Maturity Date, or, if Sponsor extends the mortgage, then by the Extended Maturity Date, the Construction Lender could take ownership of the Unsold Residential Units and would have the right to rent them or, at its option, to sell them. In the event that the Construction Loan is not satisfied by the Maturity Date, Sponsor will amend the Plan to disclose such fact and any other facts or circumstances relevant thereto (extension, refinance, etc.) Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to contract to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Residential Section of the Condominium. See **"Rights and Obligations of Sponsor."**

6. Effective Date of Plan

Pursuant to existing law and regulation the Sponsor may declare the Plan effective once it has accepted Purchase Agreements from bona fide purchasers (including investors) with respect to at least 15% of the Residential Units (i.e., five (5) of the twenty-nine (29) Residential Units offered under this Plan), but it is not a requirement to close the conversion that each Purchaser delivering a Purchase Agreement which is counted toward the 15% actually close on his purchase. Therefore, the conversion may become effective even though the sales of less than 15% of the Residential Units are closed. In the event that all Purchase Agreements are either rescinded or terminated prior to the First Closing Date, Sponsor will be required to re-declare the Plan effective based upon sale of at least 15% of the Residential Units in order to consummate the Plan regardless of whether or not the condominium declaration has been recorded. The Plan will not be considered consummated unless at least one (1) Purchaser closes title to a Residential Unit following the acceptance of an amendment to the Plan by the Department of Law declaring the Plan effective. See "**Effective Date**."

7. Bank Restrictions on Financing the Purchase of a Residential Unit

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include requiring that a certain percentage of the apartments in a building or group of buildings be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or a holder of unsold units has not sold a substantial percentage of 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 a prospective buyer is unable to obtain a loan due to the same minimum sales and investor ownership restrictions. The Plan must be declared effective when Sponsor has accepted Purchase Agreements from bona fide purchasers for 80% of the Residential Units. See **"Effective Date."**

8. Certificate of Occupancy

Purchasers are advised that in New York City, newly constructed buildings are sometimes offered as condominium projects without a Permanent Certificate of Occupancy ("PCO") covering the 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 TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All open building applications affecting the Building must be completed and closed out before DOB will issue a PCO. 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 a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the Residential Section within two years from the date of the issuance of the first TCO, subject, however, to (a) Force Majeure, (b) actions by Residential Unit Owners or tenants of Residential Unit Owners, (c) work undertaken in a Residential Unit by a Residential Unit Owner except in instances where Sponsor or the Sponsor-controlled Condominium Residential gave its consent to a Residential Unit Owner to perform alterations, or (d) work undertaken in the Common Elements by the Residential Board after Sponsor no longer controls the Residential Board, or (e) any other cause over which Sponsor has no control. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE RESIDENTIAL SECTION, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Residential Unit Owners and the Residential Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because the Sponsor and the By-Laws of the Condominium may permit Residential Unit Owners to undertake renovations to individual Residential Units prior to the procurement of a PCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO. See **Rights and Obligations of the Sponsor.**

The New York City Department of Buildings advises Purchasers of houses and apartments who close with only a temporary certificate of occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a Permanent Certificate of Occupancy. It is strongly recommended that Purchasers consult the DOB website for further recommendations when purchasing units in a building that does not have a Permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co factsheet.pdf.

9. Prohibition Against Alterations to Residential Units or Common Elements.

Neither the Board of Managers, Residential Board nor any Residential Unit Owner shall make any alterations to the Common Elements or a Residential Unit until a Permanent Certificate of Occupancy is obtained for the Residential Section without first obtaining Sponsor's prior written consent, which may be granted or denied in Sponsor's sole discretion. Such consent shall be denied if such alterations would result in a delay or prevent the issuance of a Temporary or Permanent Certificate of Occupancy for the Residential Section, or any amendment to, or extension of, any Temporary or Permanent Certificate of Occupancy previously issued. If the Residential Board of Managers or any Residential Unit Owner commences any such alterations in violation of this Section, Sponsor shall have the right to (i) have such work halted, including, without limitation, to have the Managing Agent or Residential Board of Managers deny access to the Residential Section to the Board of Manager's or Residential Unit Owner's workers and suppliers, and (ii) perform any and all work in and to the Common Elements or Residential Unit as shall be necessary in Sponsor's sole judgment, in order to avoid any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Residential Section (or any amendment to, or extension of, any Temporary or Permanent Certificate of Occupancy), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by or on behalf of the Board of Managers or Residential Unit Owner. The cost and expense of any such work performed by Declarant shall be borne by the Board of Managers or such Residential Unit Owner, as the case may be, and shall be paid to Declarant within fifteen (15) days of Declarant's written demand therefore. See "**Description of Property and Specifications**" and "**Rights and Obligations of Sponsor**."

10. Rights and Obligations of Sponsor

Sponsor anticipates that the first closing to a Residential Unit will occur by July 1, 2020 ("First Closing Date"). Purchasers will be offered a right to rescind the Purchase Agreement if: (i) the actual date of closing to the first Residential Unit ; or (ii) the projected date of closing of title to the first Residential Unit occurs later than July 1, 2021, twelve (12) months after the projected date of the first closing. If the Plan is amended to provide for a later projected date for the first closing of a Residential Unit, Purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Purchasers electing to rescind a Purchase Agreement will receive a refund of the Deposit except for Extra Work Funds to the extent that such Extra Work Funds have been actually expended by Sponsor. Purchasers should note that even if the first closing occurs on or before July 1, 2020 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy ("TCO") has not been issued for such Residential Units or for the floor on which such Residential Units are located. Such delays could inconvenience Purchasers and result in the expiration of mortgage commitments. 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 Residential Unit. PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THE DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See. "**Rights and Obligations of Sponsor**."

11. Payment of Real Property Transfer Taxes.

Pursuant to Section 11-2104 of the New York City Administrative Code and Section 1404(a) of the New York Tax Law, the New York City real property transfer tax and the New York State real estate transfer tax would be (in the absence of any provision, such as is provided in this Plan, for the Purchaser to pay such tax) the obligation of the seller in connection with the transfer by the seller of the Residential Unit to a purchaser, although such purchaser is liable for such tax if the seller fails to pay it. While the New York City and New York State transfer taxes are customarily paid for by the seller in condominium unit transactions, the burden of paying those taxes may be modified by contract. Under this Plan, Sponsor is transferring its obligation to pay transfer taxes to Purchaser. Consequently, as is common in many other condominium developments in New York State, the Purchase Agreement provides that the Purchaser of a Residential Unit will be required to pay these transfer taxes at the closing. Both New York State and New York City have taken the position that where a Purchaser pays either or both of these taxes, such payment constitutes additional consideration to the seller and must be considered in computing the tax due. Please see "**Closing Costs and Adjustments**."

12. Payment of Sponsor's Attorneys' Fees and Other Closing Costs

Each Purchaser will be required to pay to Sponsor or Sponsor's attorneys a fee in the amount of $3,000 for the Purchaser's Unit which will cover the legal and other fees and expenses of processing the sale of the Unit, as provided further in "**Closing Costs and Adjustments**."

If through no fault of Sponsor a Purchaser fails to close on the date fixed by Sponsor for closing of title to Purchaser's Unit, then Purchaser will (a) pay (among other closing costs) a late fee equal to 0.03% times the Total Purchase Price for each day's delay, beginning with the date originally scheduled for the closing to and including the day immediately preceding the actual Closing Date, (b) make closing adjustments as of midnight of the day immediately preceding the date originally scheduled for the Closing Date (that is, Common Charges and real estate taxes) and (c) pay the service fee of Sponsor's attorney of $750 for each default letter and $500 for each adjournment of the Closing due to either the fault of Purchaser or at Purchaser's or Purchaser's lender's request. All of these and other closing costs to be paid by a Purchaser are described in the section of the Plan entitled **"Closing Costs and Adjustments**."

13. No Bond or Other Security

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE SPONSOR'S OBLIGATIONS UNDER THE PLAN INCLUDING WITHOUT LIMITATION THOSE OBLIGATIONS SPECIFIED IN THE "**RIGHTS AND OBLIGATIONS OF SPONSOR**" SECTION HEREOF.

14. Down Payments May Not Be Federally Insured In Excess of $250,000; Purchaser Will Not Receive a Refund of Funds Used by Sponsor for Upgrades or Extras

All Down Payments made by Purchasers on account of the purchase of a Residential Unit will be maintained in an attorneys' escrow account at a depository bank, all as more fully described under "**Procedure to Purchase**." If an individual makes a Down Payment in excess of $250,000 for the purchase of a Residential Unit, or if the amount of such individual's deposits at the depository bank and such Down Payment exceed $250,000, the aggregate of such Down Payment and all other such deposits will generally not be federally insured in excess of $250,000.

All funds received by Sponsor for upgrades or extras ("Extra Work Funds") must initially be placed in the escrow account maintained at the depository bank described above. 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 the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds actually expended by Sponsor for upgrades or extras. However, if Sponsor abandons the Plan, funds received by Sponsor for upgrades or extras will be returned to Purchasers. See **"Procedure to Purchase."**

15. Power of Attorney

At the closing of the purchase of a Residential Unit each Purchaser shall be required to sign and deliver a Power of Attorney covering the Residential Unit in the form contained in the Part II of the Plan. If Purchaser fails or refuses to sign and deliver the Power of Attorney, such failure or refusal will constitute a default under the Purchase Agreement entitling Sponsor to terminate the Purchase Agreement and retain the Down Payment subject to the default section of the Purchase Agreement. See **"Terms of Sale; Closing of Title to Units."**

16. Views

Zoning districts can be modified from time to time and views from the Residential Units may be blocked if, among other reasons, (i) the height, bulk or density of an adjacent building is changed, (ii) the zoning district designation is amended to permit greater building bulk and density, (iii) if a zoning variance is obtained, (iv) if the F.A.R. for the zoning district is changed or (v) if the Zoning Resolution is otherwise amended. No assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies the Residential Unit) will continue to exist unchanged. As of the date of filing of this Plan, Sponsor has no knowledge of a potential or impending change in the zoning district in which the Condominium is located. See **"Description of Property and Specifications."**

17. Disputes, if Any, Between the Condominium Board, Residential Board and An Owner Will Be Resolved by Arbitration

Article 10 of the Condominium By-Laws and Residential By-Laws provide that certain disputes between a Unit Owner and the Condominium Board and/or Residential Board will be resolved by arbitration, except, however, with respect to the collection of common charges and assessments and the enforcement of liens for unpaid common charges assessments). Each party will bear its own costs and expenses in connection with such arbitration, except that the cost of the arbitrator shall be borne by the losing party. In this regard, should the Condominium Board lose any such arbitration, the cost of the arbitrator shall be a Common Expense to be shared by all Unit Owners in accordance with their respective Common Interests. See **"Rights and Obligations of Unit Owners"** and **"Board of Managers"** sections of Part I of the Plan and the

"Condominium By-Laws" and "**Residential By-Laws"** reproduced in Part II of the Plan for details.

18. Preferred Title Company

Purchasers may use the services of the title company of their choice without incurring any additional charges from Sponsor. Fidelity National Title Insurance Company (the "Preferred Title Company") has agreed to insure, upon the payment by Purchaser of the premium for such insurance, that Purchaser has title to the Residential Unit free and clear of all liens and encumbrances except those set forth in the Plan, subject to the provisions of the Condominium Declaration and By-Laws and any mortgage executed or other encumbrance created by the Purchaser. See **"Terms of Sale; Closing of Title to Units"** and **"Closing Costs and Adjustments"**

19. Unit Measurements

The square footage calculations set forth In Schedule A are based upon measurements that include portions of the Common Elements, and are not based upon measurements from interior surfaces of interior walls. Rather, the measurements are from exterior surfaces of exterior walls. Therefore, the measurements included on Schedule A are significantly more than the usable square footage of the Units. **See "Footnote 1 to Schedule A"**.

20. Terraces and Balconies

Prospective Purchasers should note that the Terraces and Balconies may not be enclosed or built upon without first getting the proper authorization from the New York City Department of Buildings (if feasible) and the Condominium's Board of Managers. The Board of Managers may deny such authorization in its sole discretion. Moreover, the Terraces or Balconies may not be used for any type of occupancy including, but not limited to, dining, sleeping, living room, recreation, office, etc. To do so may result in a violation against the building being issued by the Building Department. Each Residential Unit Owner who has a Terrace or Balcony as a Limited Common Element is responsible for all ordinary maintenance and cleaning of the Terrace. The Residential Unit Owner who has exclusive use of a Residential Limited Common Element (such as a Terrace) shall be responsible for all repairs or replacements to all surfaces of such Terrace and the Residential Board shall be responsible for any work that may be required on the parts of the Residential Limited Common Elements that support such surfaces. Any Residential Unit Owner desiring to make a replacement or repair to a Terrace must first obtain the written consent of the Residential Board. No other improvement or structure may be placed on the Terrace without the prior written approval of the Residential Board, which approval may be granted or denied for any reason or no reason, and if granted, such approval may be conditioned on such matters as the Residential Board, in its sole discretion, may deem reasonable including conditions with respect to time periods when work is permitted, handling of construction debris, measures to ensure building security during construction, interruption of elevator and other services during construction and liability coverage for contractors during construction. Such conditions may also be imposed with respect to repairs and replacements of the existing conditions and materials on the Terraces. No construction work may be done on any Terrace without a New York City Buildings Department permit. In addition, any construction on a Terrace will require a variance of the New York City Board of Standards and Appeals. No structure can be built on a Terrace "as of right." A Residential Unit Owner shall have no right to apply for a variance without the prior written consent of the Residential Board which consent may be denied for no reason or any reason. See "**Rights and Obligations of Unit Owners**".

21. Reserve Fund

Although no reserve fund is being funded by the Sponsor under this Plan, the budget for the first year of condominium operation does provide for yearly contributions to a reserve fund for capital expenditures. Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five years following the First Closing Date should such capital expenditures be needed. In the event funds are needed for capital expenditures, the Residential Board of Managers may decide to increase Common Charges or impose an assessment on all Residential Unit Owners. See "**Reserve Fund**."

22. Working Capital Fund and Apportionments with Residential Board

At the First Closing, certain apportionments will be made between Sponsor and the Residential Board. Any Closing adjustments or credits the Sponsor owes the Residential Board of Managers shall be deferred and paid to Sponsor by the Residential Board in 12 equal monthly installments commencing one (1) month after the First Closing in accordance with an unsecured promissory note payable with interest at the rate of 8% per annum to be executed by the Residential Board on behalf of the Residential Unit Owners at the First Closing; if such note is necessary, the payments to be made under the note may result in an increase in Common Charges payable by the Residential Unit Owners, including the Sponsor, during the first year of operations. In the event of any such increase, the Plan will be amended to disclose same. However, it should be noted that net closing adjustments in favor of Sponsor, if any, generally represent costs for which the Residential Section is responsible that have been prepaid by Sponsor for a period covering part or all of the first year of Residential Section operation and, as such, the amount thereof is reflected in Schedule B - Budget for First Year of Residential Section Operation. See "**Closing Costs and Adjustments"** and "**Working Capital Fund**"..

23. Common Elements

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Residential Common Elements for the exclusive use of such Residential Unit Owner provided that such Residential Common Element was not offered in the Plan as an amenity for the shared use of the Residential Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if required. See "**Changes in Prices and Units and Rights and Obligations of Sponsor".**

24. Waiver of Diplomatic or Sovereign Immunity

Any Purchaser who is a foreign government, a representative of a foreign government or other person or entity otherwise entitled to diplomatic immunity or sovereign immunity shall irrevocably waive, to the fullest extent permitted by law, any and all immunity from suit or other actions or proceedings and agrees that, should Seller or any of its successors or assigns or the Board of Managers of the Condominium bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement or under the Condominium Documents, (i) no immunity from such suit, action or proceeding will be claimed or asserted by or on behalf of Purchaser, by way of motion, as a defense or otherwise in any litigation, (ii) no objection to the laying of venue shall be made by Purchaser; (iii) no claim that litigation has been brought in an inconvenient forum shall be made by Purchaser, and (iv) no claim that it is not subject to personal jurisdiction of such courts shall be made by Purchaser. In addition, any Purchaser that is a foreign government,

a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at that time of closing of title to such Purchaser's Residential Unit, to deposit with the Residential Board an amount equal to two years' estimated Common Charges. See "**Purchase Agreement**" in Part II of the Plan.

25. Limitation of Sponsor's Liability

This Offering Plan is subject to The New York State Housing Merchant Implied Warranty (General Business Law Article 36-B) which applies to new single family homes or new for-sale units in a multi-unit residential structure of 5 stories or less in which title is transferred to Owners under a condominium or cooperative regime. Pursuant to the terms of this law, Sponsor is giving a Limited Warranty to Purchasers which provides for a Limited Warranty on certain items. See paragraph numbered 5 of the section entitled **"Rights and Obligations of Sponsor"** and the subheading "Sponsor's Work" for a more thorough discussion of the limitations of Sponsor's liability. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first buyer of a Residential Unit only; Sponsor's liability is limited to 50% of the Purchase Price of the Residential Unit exclusive of all options and less any insurance proceeds received by Purchaser; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor.

26. Principals of Sponsor Execution of Certification Solely for Martin Act Purposes

Consistent with decisions in the Appellate Divisions of the First and Second Departments, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principal, absent liability under another statute or under alter-ego or other veil-piercing theories. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson St. Owner LLC, et al, 106 AD3d 542 (1st Dept., 2013); and, see, 125 North 10th Condominium v. 125North10, 150 AD3d 1065 (2nd Dept., 2017.) See "**Introduction**."

27. Alterations

The provisions of the Declaration and By-Laws which require a Residential Unit Owner to obtain the written consent of the Residential Board of Managers prior to making any structural alterations to his or her Residential Unit do not apply to the Sponsor or an Affiliate of the Sponsor. See "**Rights and Obligations of Unit Owners and Board of Managers**."

28. Real Estate Taxes

Sponsor, in Schedule A, has estimated real estate tax obligations based on the projected Common Interest for each Residential Unit. The real estate taxes for the first year of operation will be based on assessed values that will not reflect the entire increase in valuation of a building in the course of construction. Accordingly, the actual real estate taxes after the first year of operation and based upon the fully completed building in full operation may be significantly higher. The real estate taxes for future years will vary in accordance with the tax rate, the Property's assessed valuation and the phasing in of assessed valuation increases. It is noted that under state law, increases in a property's assessed value due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty percent (20%). Any further increases in the assessed value resulting from still higher market value is to be similarly phased in over an additional five year period from the date(s) of such increase(s). The full increased

assessed valuation to be paid at the end of five (5) years is called the "actual assessed valuation." Based upon the assessed valuation estimated by Lawrence J. Berger, P.C., Purchasers should anticipate that real estate taxes will increase every year after the first year due to the "phase-in" of increases to reach the actual assessed valuation (assuming that the assessed value is not reduced). In fact, Sponsor's Real Estate Tax Counsel has estimated that after the first year of condominium operation, real estate taxes may be in excess of approximately $1,006,928/year (aggregate of all Residential Units) based upon an estimated assessed valuation of $7,306,640 and a projected tax rate per $100 of assessed valuation of $13.781. See "**Real Estate Taxes"** and "**Real Estate Tax Counsel's Opinion Letter.**"

29. Costs of Enforcing and Defending Purchase Agreement

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending Sponsor's rights under the Purchase Agreement or, in the event Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in cancelling this Agreement or otherwise enforcing Purchaser's obligations thereunder, as the prevailing party in any litigation. See "**Purchase Agreement."**

30. Prohibition Against Advertising

Prior to the Closing of title, Purchaser shall not list the Residential Unit for resale or rental with any broker or listing system or advertise or otherwise offer, promote or publicize the availability of the Residential Unit for sale or lease, without Sponsor's written consent, which may be withheld or delayed in Sponsor's sole and absolute discretion. In addition, Purchaser may not advertise, list with any broker or in any listing system or sell the Residential Unit for twelve (12) months after acquisition of the Residential Unit from Sponsor (provided however, such limitation shall not apply from and after the date that Sponsor has conveyed title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. Notwithstanding the foregoing, Purchaser may convey the Residential Unit to an immediate family member, a trust for an immediate family member or any entity of which Purchaser is the controlling party (i.e., Purchaser owns more than 50% of the shares, stock or membership interest, however characterized, of such entity). Any such action by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Down Payment made by Purchaser, together with interest earned thereon. See "**Purchase Agreement".**

31. Lot Line Windows

There are lot line windows as shown on the floor plans. The following Residential Units have lot line windows: 2E, 3E, 3G, 3H and 4D. These windows are located 10 feet or less from the south property line. Lot line windows are permitted in R-2 occupancies provided that their areas comply with Table 705.8 of the 2014 NYC Building Code. All of the lot line windows comply with the area limitations and contained in Table 705.8 and will be sprinkler protected. Purchasers should refer to the Floor Plans set forth in Part II of the Plan for the specific locations of lot line windows within such Residential Units. Lot line windows are windows located on an exterior wall abutting (or less than 30' away from a property line) where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be, and have not been, utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Residential Units for habitation. Lot line windows

are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. This will not result in the loss of any habitable space. Any infill of lot line windows will be made by the Residential Unit Owner. Neither Sponsor, Sponsor's architect, the Condominium Board, Residential Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all of the lot line windows is required. See "**Description of Property and Specifications",** set forth in Part II of the Plan for details.

32. Window Guards

Each Residential Unit Owner shall notify the Residential Board or the Managing Agent, if any, in writing, when a child, or children, under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. Each Residential Unit will be provided with factory installed limit "stops" or safety "stops" in lieu of window guards, designed specifically to prevent a child from falling out the window in all windows of the Residential Unit in compliance with all applicable New York City Administrative Code requirements. The Residential Unit Owner shall maintain all window guards or stops installed in the Residential Unit and shall not remove same until permitted by applicable law and in no event without prior written notice to the Residential Board or Managing Agent, if any. The Residential Board or Managing Agent may choose to have any window guards or stops installed at the Residential Unit Owner's expense. See the Sponsor's Architect's "**Description of Property and Specifications**" in Part II of the Plan.

33. Wood Floors

Sponsor is installing pe-engineered white oak floor assembly in the Units which will have a 1 mm wear layer and a High Performance Commercial Grade UV Cured finish. The material can be screened (buffed, but sanding may result in a loss of grain. The room temperature must be within a range of 60-80F, with relative humidity in a range of 30-50%. These environmental conditions are specified as pre-installation requirements and should be maintained for the life of the product. Environmental conditions outside of these parameters could result in product performance problems that would not be covered under any warranties.

Problems with moisture or dryness: Warranties do not cover damage or defects caused by the presence of excessive moisture, or by conditions which are too dry. Flooding, acts of God, plumbing accidents, leaking appliances (icemakers, dishwashers, clothes warmer, etc.) are not covered by any warranty. See written installation instructions for more details. Movement due to moisture changes, including construction method or materials, plumbing, or other trades and weather or natural disasters is excluded from any warranty. Examples of problems arising from moisture include, but are not limited to: cupping or crowning, changes in width, thickness and length, checking and splitting. The use of humidifier/dehumidifier may be necessary to maintain the proper humidity level between 30%-50%.

Excessive Lighting: Limited warranties do not cover damages or defects, including, but not limited to, color change caused by excessive sunlight or intense lighting. Excessive sunlight or intense lighting can cause color changes in the finished product. Additionally, due to the effects of excessive sunlight or intense lighting, new and/or replacements plank flooring may not match display samples and/or existing flooring. Wood flooring will undergo color changes due to the effects of natural and artificial light. These changes are not covered under the warranty. Area rugs and furnishings may shield the floor from light resulting in uneven coloring. These color changes also preclude matching new flooring to previously installed flooring. See **"Description of Property and Specifications".**

34. Noise

The development is located in a densely populated area. Exterior noise levels are consistent with that of an urban area and may be audible inside the Residential Units. Some Residential Unit Owners may install amplified loud speakers and television monitors on walls within their Residential Unit which share a common wall with another Residential Unit and this may result in vibration and sound transmission to adjoining Residential Units. See "**Location and Area Information**."

35. Financial Crimes Enforcement Network's Geographical Targeting Order

Prospective Purchasers should be aware that title insurance companies insuring a purchaser's title to a Residential Unit are required to report certain purchaser information to the Financial Crimes Enforcement Network ("FinCEN") pursuant to FinCEN's Geographic Targeting Order ("GTO"). The title company is required to report to FinCEN the personal identity of the individual natural person primarily responsible for representing the Purchaser in residential real estate transactions in which: (1) the purchaser is a legal entity, which is defined in the GTO as a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction; (2) the purchaser purchases residential property located in any of the Boroughs of New York City; (3) the total Purchase Price is $300,000 or more in the Boroughs of Bronx, Brooklyn, Queens, Manhattan and Staten Island; (4) the purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds transfer, or virtual currency. So long as the GTO remains in effect, its reporting requirements apply to all transactions in this offering all of which exceed the $300,000 threshold. See the section of the Plan entitled "**Terms of Sale; Closing of Title to Units**" for further information.

36. Use of Residential Units

The Residential Units may be used solely for dwelling purposes only and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law. See the Section entitled "T**erms of Sale; Closing of Title to Units**".

37. Income Taxes and Deductions Related to Homeownership

On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including taxes and deductions related to homeownership. See the sections of the Plan entitled "**Income Tax Deductions to Unit Owners and Tax Status of Condominium**" and "**Opinion of Counsel**" which follows that section.

38. Interim Leases and Default or Rescission.

Under the Purchase Agreement, if a Purchaser is or becomes a tenant at the Property pursuant to an Interim Lease for the Residential Unit, and Purchaser shall default in such Interim Lease, then Seller may elect to terminate the Interim Lease and such default shall be deemed a default under the Purchase Agreement. Notwithstanding the foregoing, before Seller may utilize the default under the Interim 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 Residential Unit. See "**Purchase Agreement**" in Part II of the Plan.

39. Purchaser's Representations Concerning Real Estate Brokers.

The Purchase Agreement contains a representation that Purchaser has not dealt with any broker except those identified in the Purchase Agreement and that should any claim be made against Sponsor for commissions by anyone other than the Selling Agent and any other broker identified in the Purchase Agreement, based on alleged dealings with Purchaser or Purchaser's representatives, Purchaser shall (i) give testimony to such effect in any case, action or proceeding by any broker other than those identified in the Purchase Agreement, and (ii) indemnify and hold Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including but not limited to reasonable attorneys' fees) in connection therewith. See "**Purchase Agreement**" in Part II of the Plan.

40. Waiver of Trial by Jury.

Under the Purchase Agreement, except as prohibited by law, the parties waive trial by jury in any litigation arising out of, or connected with, or relating to, the Purchase Agreement, or the relationship created thereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate any such claim with, any action or proceeding in which a jury trial is waived. See "**Purchase Agreement**."

41. Risk of Loss in the Event of Fire or Other Casualty.

Prior to the first closing, the entire Building will be insured by the existing Board of Managers and Sponsor's interest in the Residential Units will be insured by Sponsor. After the first closing of a Residential Unit, the entire Building will be insured by the Condominium with such coverage as is described in Schedule B of this Plan. If, between the date of a Purchase Agreement and the Closing Date, a Residential Unit is damaged by fire or other casualty, the Purchase Agreement provides Sponsor with certain rights and obligations. See the section of the Plan entitled "**Terms of Sale; Closing of Title to Units**" for a detailed discussion.

42. Communications equipment

Sponsor shall (i) have an exclusive right and easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or facade of the Residential Section and elsewhere on the Residential Common Elements to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) be entitled to utilize such easement for their own account. In order to effectuate Sponsor's use of the Common Elements, as described above, Sponsor shall first enter into a license agreement with the Residential Board that shall be revocable at the Residential Board's election. Such license agreement shall be between the Residential Board and the licensee although Sponsor shall have the right to collect any licensing fees (as well as initiation fees, if any) until such time as the Residential Board terminates such agreement. Upon such termination, any fees payable by the licensee would then be payable to the Residential Board. See "**Terms of Sale**."

43. Building's Smoking Policy

On August 28, 2018 Local Law 147 ("LL147") went into effect requiring owner(s) of each building in New York City with three or more residential dwelling units to establish a written smoking policy for the building. In the context of condominiums Local Law 147 defines "owner" as the board of managers. The building's smoking policy must address all indoor locations of the premises, including common areas and dwelling units, as well as all outdoor areas of the premises, including common courtyards, rooftops,

balconies and patios and any outdoor areas connected to the dwelling units. The building's smoking policy must apply to all its tenants and unit owners and their invitees as well as other persons on the premises. The term "tenant" means a tenant, condominium unit owner, subtenant, lessee, sublessee or other person entitled to the possession or to the use or occupancy of a dwelling unit. A copy of the building's smoking policy must be posted in a prominent location and/or provided to all tenants, and/or unit owners. The building's smoking policy also must be incorporated into any agreement to rent or purchase a dwelling unit, including a dwelling unit in a condominium. Finally, the building's smoking policy must be incorporated into the bylaws or rules of the condominium. Failure by owners to adopt and disclose the building's smoking policy could result in civil penalties assessed by one of several New York City agencies. In addition, failure of any condominium unit owner, or tenant who rents or leases a dwelling unit to another person to disclose the building's smoking policy could result in civil penalties.

807 Manhattan Avenue Condominium is subject to Local Law 147. The Building's smoking policy is as follows: Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in all indoor and other outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment. See the section of the Plan entitled, "**Rights and Obligations of Unit Owners**" and "**Interim Lease**" in Part I of the Plan and the "**Purchase Agreement**" in part II of the Plan and the Building's "**Rules and Regulations**" in Part II of the Plan following and attached to the By-Laws.

44. Tax Status of Condominium

Since less than 85% of the square footage of all Units will be used for residential purposes, the Condominium will not be eligible to elect tax-exempt status under Section 528 of the Internal Revenue Code. Provision has been made for income taxes payable by the Condominium in the projected budget for the first year of condominium operation. See "**Income Tax Deductions to Unit Owners and Tax Status of Condominium**", "**Opinion of Counsel**" and "**Budget for First Year of Condominium Operation, Schedule B.**" Accordingly, the Condominium may be subject to income taxes on the excess of the Common Charges and investment income over the expenses of operating the Condominium. The Budget for the First Year of Condominium Operation contains a budget item of $2,000 to cover the possible income taxes. (See "**Schedule B**" at Footnote 13 and "**Opinion of Counsel**").

45. No Interim Leases

Sponsor is not currently offering any Purchaser or non-purchaser the right to enter into a lease for a Residential Unit. Non-purchasers will not be permitted to lease a Residential Unit prior to the consummation of the Plan. See "**Interim Leases**."

46. Non-Residential Unit (the Retail Unit)

(a) Currently the building constitutes a 2–Unit commercial condominium formed upon the issuance of a no action letter from the New York State Department of Law office (File No. NA16-0163) and the subsequent recording of a Declaration of

Condominium (the "Original Declaration") with the Office of the New York City Register in Kings County. Sponsor will file an Amended and Restated Declaration of Condominium to allow for the subdivision of the Residential Units as set forth in this Offering Plan pursuant to the provisions of 13 NYCRR 20. Upon recording of the Amended and Restated Declaration of Condominium, the Condominium will consist of twenty-nine (29) Residential Units and one (1) Commercial/Retail/Non-Residential Unit.

(b) The Non-Residential Unit of the Condominium is not owned by Sponsor or an affiliate of Sponsor and is currently being operated as a retail banking and related financial services facility pursuant to a written lease between the Non-Residential Unit Owner and Capital One, N.A. (the "Existing Lease.") No representation is made with respect to the ownership of all or any portion of the Non-Residential Unit, or as to who the future owners or tenants of any portion of the Non-Residential Unit may be at any time or as to the uses to which the Non-Residential Unit may be put at any time except that the Non-Residential Unit may be used for any purpose permitted by Law, including without limitation, additional residential units, retail stores, banks, restaurants, theatres, bars, spas, health clubs, parking garages, and commercial and professional office space which uses may result in increased noise and traffic, provided however, that the Non-Residential Unit may not be used for the following ("Prohibited Uses"): (1) an establishment which displays, sells, rents or offers for sale or rent any pornographic material; adult bookstore or facility selling or displaying pornographic books, literature, or videos (materials shall be considered "adult" or "pornographic" for such purpose if the same are not available for the sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality) excluding any establishment for which the sale or rent of such products constitutes a de minimis space in such establishment (however, by way of illustration and not limitation, the sale of clothing, lingerie, high-end or similar items for stores meeting the Operating Standard such as Victoria's Secret, Abercrombie & Fitch and Aeropostale shall not violate this subsection), (2) any so-called head shop or other similar establishment which stocks, displays, sells, rents or offers for sale or rent any drug-related paraphernalia or merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug or other controlled substance, including, without limitation, any hashish pipe, water pipe, bong, cilium, pipe screens, rolling papers, rolling devices, coke spoons or roach clips, but pharmacy and/or drugstore chains such as Duane Reade, CVS, Walgreens, Rite Aid and other pharmacy chains with a widely known national and/or regional presence are not prohibited, (3) selling, leasing or displaying of new or used automobiles, trucks, trailers, or recreational vehicles, (4) automotive parts, lube and oil or repair shop, (5) bingo or similar games of chance, (6) check cashing store (except as is typical in connection with the operation of a bank or financial services institution), (7) church, mosque, temple or other place of religious worship or meeting hall, (8) dumping, disposing, incinerating or reducing of garbage (exclusive of dumpsters for temporary storage of garbage and any garbage compactors, in each case which are routinely emptied so as to minimize offensive odors), (9) any establishment manufacturing, assembling, displaying or selling fireworks, ammunition or explosives, (10) funeral home or mortuary, (11) a so-called "flea market," (12) any so-called gentleman's club featuring topless waitresses, nude dancing or private "one-on-one" booths or rooms, (13) illicit non-therapeutic massage parlor, (14) off-track betting parlor or other gambling facility, (15) circus, carnival or amusement park, or other similar entertainment facility, (16) pawn shop, (17) shooting gallery, (18) substance abuse rehabilitation or detoxification recovery center, or treatment center, welfare or mental health facility or similar agency, whether public or private, which provides services to clients on the premises of the Unit, (19) tattoo parlor, (20) an "Odd Job" or "Odd Lot" type discount store or as a so-called "99 cent store" or "dollar store" type discount store or as a "going out of business" type store (it being agreed Old Navy, DSW, Urban Outfitters, American Eagle, and similar type stores are not prohibited under this clause (20)), (21) as a so-called "bodega" type store, (22) as an office, store, reading room, headquarters, center or other facility principally devoted or

opposed to the promotion, advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination, (23) as an arcade, (24) as a mall or mini-mall, (25) intentionally omitted, (26) intentionally omitted, (27) dry cleaning plant, central laundry or laundromat (but a drop-off dry cleaning store and/or an "organic" (non-chemical) process dry cleaner is permitted) (28) psychic, hypnotist, tarot card or palm reading business or similar establishment, (29) any business practicing satanic or cult ritualistic activities including so-called "devil worship," black magic or rites of passage involving self-mutilation or degradation, (30) use by an International Organization unless such International Organization waives its sovereign or diplomatic immunity in conformity with Article 30 of the Declaration, (31) use by employment agencies (except for executive placement firms, secretarial services placement firms, legal and other professional search firms) and other private employment agencies consistent with the Operating Standard, (32) any pre-school, kindergarten, elementary school or high school, (33) the operation of any legal services office or legal clinic, (34) intentionally omitted, (35) jewelry or similar exchange (e.g. a retail center with independent vendor booths), or (36) any operation which creates loud music or large or noisy events. No assurance, representation, or warranty is given that any of the tenants, occupants, or users of the Non-Residential Unit will not be objectionable to Residential Unit Owners or other parties. The uses of the Non-Residential Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners and the Residential Board will have no control.

(c) The Non-Residential Unit Owner has the right to enter into leases for all or any portion of the Retail Unit (as same may be modified, amended, supplemented or restated from time to time.) Neither the Board nor any Unit Owner will take, permit or suffer any actions with respect to any portion of the Property which the Landlord cannot, with respect to such portion of the Property, take under the terms of the Existing Lease, provided and so long as such Existing Lease is in effect. All rights which may be exercised by the Board with respect to the Units and the Condominium are subject to the rights of the tenants under the Existing Lease so long as the Existing Lease is in effect.

(d) The Non-Residential Unit Owner shall have the right and easement for signage for the ATM located within the Non-Residential Unit.

(e) The Non-Residential Unit Owners shall have the right, but not the obligation, at the Non-Residential Unit Owner's sole cost and expense to make structural or non-structural alterations to the Non-Residential Unit and its appurtenant Limited Common Elements without prior notice and without the vote or consent of the Condominium Board, the Residential Board or any Residential Unit Owner, provided the alteration does not impair structural soundness, safety or integrity of the Building.

(f) The Non-Residential Unit Owner shall have the right to amend the Declaration without the consent of the Residential Board or the Residential Unit Owners if such amendment (i) only affects the Non-Residential Unit or its appurtenant Limited Common Elements or (ii) affects the Non-Residential Unit or its appurtenant Limited Common Elements and does not have a material and adverse effect on the Residential Unit Owners or the Residential Common Elements or Residential Limited Common Elements.

(g) The Non-Residential Unit Owner shall have an easement to access the Rooftop Mechanical Units by entering the "Egress Easement" located on the Cellar level of the Residential Section from the Cellar level of the Non-Residential Unit to either: (i) Stair B and up through Stair B to the Roof level of the Building; or (ii) the elevator located at the Cellar level of the Residential Section up to the Third Floor of the Building and up

Stair B to the Roof level of the Building (provided, however, that such easement for use of the elevator shall not include access to any other level of the Residential Section except for the Third Floor to access Stair B to the Roof), and both of such easements shall extend sufficiently on the Roof level to permit access by the Non-Residential Unit Owner to all Rooftop Mechanical Equipment as shown on the Roof Plan. The Non-Residential Unit Owner shall have such easement for the purpose of installing, removing, repairing, servicing maintaining and replacing the Rooftop Mechanical Equipment.

(h) In the event of an Emergency, the Non-Residential Unit Owner shall have a right of emergency egress through passageways, emergency stairways, side yards and exits contained within the Residential Section at the Basement Level.

(i) Sponsor's zoning consultant has estimated that Excess Development Rights comprising approximately 5,380 square feet of "floor area", as such term is defined in the Zoning Regulation, will remain upon completion of the Residential Section. Such Excess Development Rights will not be included in the Property and shall be the exclusive property of the Non-Residential Unit Owner and may be utilized, sold or otherwise transferred as permitted by Law, by the Non-Residential Unit Owner or a Development Rights Owner. Neither Sponsor, the Condominium Board, Residential Board nor any Unit Owner (other than the Non-Residential Unit Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Residential Units and/or Terrace may be affected. There are no roof development rights available to any Residential Unit Owners.

(j) The Non-Residential Unit Owner shall have the right to designate one (1) member to the Condominium Board.

(k) Members of the Condominium Board designated by the Non-Residential Unit Owner may only be removed by the Non-Residential Unit Owner, who alone will have the right to elect or designate a replacement.

(l) The Declaration provides that the Residential Section shall pay 14.96% of the costs to maintain, repair and replace the facade of the Retail Unit. The reason that the Residential Section is responsible for this cost is that a portion of the Residential Section is located above the Retail Unit and shares a portion of the exterior wall. When Sponsor acquired its interest in the Property, it agreed with the other party involved in the acquisition that this would be a fair manner in which to share in the cost of maintenance and repair of this section of the exterior façade.

(m) Certain determinations by the Condominium Board require a "Special Board Majority" as described in the Section of the Plan entitled, "**Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws**". See, also, the Section of the Plan entitled "**Non-Residential Unit**" for details.

47. Storage Bin Licenses

Sponsor shall enter into a Master Storage Bin License Agreement with the Residential Board which is revocable by the Residential Board in accordance with its terms. A copy of the Master Storage Bin License Agreement is set forth in Part II of the Plan. Sponsor has the right under this Plan to enter into Storage Bin Sub-License Agreements with Purchasers. At such time as any Residential Unit owner enters into a Storage Bin Sub-License Agreement, such Storage Bin will exist for the exclusive use and enjoyment of the purchasing Residential Unit Owner to the exclusion of all other Unit Owners.

Insofar as the Storage Bins are located in the cellar, Sponsor cannot make any representation that the Storage Bins will remain dry or will not experience any water infiltration and neither the Sponsor nor the Board or Residential Board will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins do so at their own risk and Licensees are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. There will be no drains in the floor of the rooms containing the Storage Bins and the Storage Bins may be susceptible to water damage, necessitating that items be kept off the floor or in waterproof containers.

The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin. Nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Residential Section or otherwise create a nuisance in the Building. Storage Bins may not be used for the storage of combustible items as that term is defined in the New York City Building Code. The Storage Bins may not be used for any type of occupancy, including, but not limited to sleeping, living rooms, dining rooms, recreation rooms or offices. To do so may result in the New York City Department of Buildings issuing a violation against the Building which will be the obligation of the Licensee of the Storage Bin to remove.

The Sponsor shall have the right to assign each Sub-License Agreement to the Residential Board at any time in which event Sponsor shall be relieved of the obligation for the payment of the Monthly License Fee. The assignment of a Sub-License Agreement to the Residential Board, will result in an increase in common charges to the extent of the License Fee for the assigned Sub-License Agreement as set forth in Schedule A-1. See the Section of the Plan entitled, "**Storage Bin License Agreements".**

49. Special Rights of Sponsor

(a) Sponsor shall have an exclusive right and easement (i) to erect, use, lease, maintain repair, replace and operate (a) antennae, satellite dishes and other communication equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Residential Section and elsewhere on the Residential Common Elements (excluding Terraces and Storage Bins appurtenant to Residential Unit(s)) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Residential Section for the purpose of advertising the sale of any Residential Unit, the leasing of space in any Residential Unit or the operation of any business of a tenant or occupant of any Residential Unit. (See the Section of the Plan entitled "**Rights and Obligations of Sponsor**'" for details).

(b) Prior to the Plan being declared effective, Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Residential Common Elements for the exclusive use of such Residential Unit Owners provided that such Residential Common Element was not offered in the Plan as any amenity for the shared use of the Residential Unit Owners of the Condominium. After the Declaration has been recorded, such rights shall be subject to the consent of the Residential Board of Managers. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if required. (See the Sections of the Plan entitled "**Changes in Prices and Residential Units**" and "**Rights and Obligations of Sponsor**" for details).

(c) During the Sponsor Initial Control Period, the Residential Board shall have the right, in its sole discretion, to waive Residential Unit Owner obligations to pay Residential Common Charges from and after the First Closing for a period to be determined by the Residential Board, provided Sponsor timely pays the all expenses of the Residential Section (inclusive of insurance premiums and reserves) and General Common Charges due to the Condominium Board with respect to the Residential Section. If the Residential Board elects to waive payment of Residential Common Charges pursuant to the foregoing, Sponsor shall disclose in the post-closing amendment to the Plan (i) such waiver of the Residential Common Charges, (ii) the anticipated period of time of such waiver ("Waiver Period") and (iii) Sponsor's obligation to pay the expenses of the Residential Section and the General Common Charges due to the Condominium Board with respect to the Residential Section. In the event the Residential Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor will file an amendment to the Plan disclosing the expiration of the Waiver Period prior to such expiration and provide all Residential Unit Owners with a least 30 days prior written notice of the expiration of such Waiver Period and the commencement of payment of Residential Common Charges. Upon commencement of collection of Residential Common Charges from all Residential Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Residential Common Charges were not collected during the Waiver Period. Sponsor shall remain obligated to update the budget for the Residential Section in accordance with the terms of the Plan and the Department of Law's regulations. (See Section of the Plan entitled "**Rights and Obligations of Residential Unit Owners**," subsection "**Common Charges: Determination and Assessment**" for details).

(d) Sponsor reserves the right to make any changes in the proposed Residential By-Laws, Amended and Restated Declaration and the Floor Plans for the Residential Section, and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Residential Units, or due to structural, architectural or mechanical considerations; provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Residential Unit Owner or Purchaser, increase any obligation of a Residential Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or material shall be of substantially equal or better quality. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Section of the Plan entitled "**Changes in Prices and Residential Units**" and "**Rights and Obligations of Sponsor**" for details).

50. Special Allocation of Certain Common Expenses

Certain budgeted items are allocated between the Residential Units and the Retail Unit on a special basis which reflects actual benefit and/or use associated with that particular item or expense or exclusive control of particular Common Elements. The allocated Common Charges payable by the Retail Unit Owner are sufficient to cover the expenses fairly attributable to the Retail Unit. Section 5.1.2 of the Condominium By-Laws authorizes such a special allocation. The special allocation is to be determined in accordance with Schedule H attached to the Condominium By-Laws. Any amendment to the manner of determining the special allocations set forth in the Condominium By-Laws requires a Special Board Majority which is defined to include the member of the Condominium Board elected or designated by the Retail Unit Owner. The financial impact on the Residential Units of the manner of special allocation of items of the Budget in Schedule B is such that the Residential Section and the Retail Unit will pay the Common

Expenses fairly attributable to them. (See "**Notes to Schedule B**" and "**Rights and Obligations of Residential Unit Owners**" under the heading "Common Charges-Determination and Assessment" for further details.)

51. Condominium Located in Landmark District

The Property is not a designated Landmark although it is located within a New York City Historic District (Greenpoint) and is listed on the State and National Registers of Historic Places. All work on the building and individual units, both interior and exterior, other than routine maintenance, requires review and approval by the New York City Landmarks Preservation Commission under current regulations. These reviews and approvals must be obtained prior to issuance of permits for construction. As a National Historic Landmark, the building is currently exempt from providing the calculations required to comply with Energy Code. Best practices are still employed in selecting light fixtures, energy efficient appliances, building insulation, and insulated glass. The NYC Department of Buildings should be consulted for any changes in regulations. All future Unit Owners and Sponsor are subject to Landmark Preservation Commission approval requirements. See "**Description of Property and Improvements**" and " ."

52. Resale Fee

The Purchase Agreement provides that in the event that a Purchaser enters into an agreement ("Resale Agreement") to sell the Residential Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under the Purchase Agreement with Sponsor for the Residential Unit. The Resale Fee shall be paid to Sponsor by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by Purchaser must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. The provisions of this Section shall survive the Closing of Title.

53. Purchase Agreement – Confidentiality Provision

The Purchase Agreement provides that the Sponsor and Purchaser agree to keep all of the terms and conditions of the Purchase Agreement confidential, except that Sponsor shall be permitted to disclose that a Purchase Agreement has been executed for the Residential Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Sponsor and Purchaser are permitted to disclose information which is required to be disclosed to their respective lawyers, brokers, architects/engineers, accountants, lenders, Escrow Bank and individuals who "need to know" or governmental agencies and such disclosure shall not be deemed to be a breach of such provisions regarding confidentiality. Any failure by Purchaser to keep the terms and conditions of the Purchase Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

54. Lead-Based Paint

The Building in which the Residential Units will be located was built prior to 1960. Buildings constructed prior to 1979 may contain lead-based paint and buildings constructed prior to 1960 are presumed to contain lead-based paint. The ingestion of lead poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is reproduced in Part II of the Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchaser of a Residential Unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of,, and any appropriate remediation for lead-based paint. Sponsor has no records regarding the existence of lead-based paint at the Building nor records of violations regarding lead-based paint with respect to the Building. Purchasers will have a ten (10) day opportunity to conduct a lead-based paint inspection and have the option to receive a refund of the Down Payment if lead-based paint is detected in the Residential Unit. See "**Purchase Agreement**" and the Lead-Based Paint Rider attached to it.

55. Asbestos Containing Materials

All Asbestos Containing Material ("ACM") in areas of the Building that were disturbed by construction have been removed by qualified contractors. Some ACM will remain in place and will be encased by the renovations performed by Sponsor. Approximately 2,280 square feet of ACM which shall remain is limited to waterproofing membrane (tar) at columns and spandrel beams which remain at the south lot line . All remaining ACM is non-friable and will be encased in sheetrock. The Units where encased ACM is located are: 1D, 1E, 2F, 2G, 2J, 3F, 3G, AND 3J. Encased ACM will also remain above the ceiling of the Residential lobby. See "**Description of Property and Improvements**" in Part I and Sponsor's Architect's "**Description of Property and Specifications**" and the "**Asbestos Report**" both in Part II of the Plan.

56. Terrace Roof Drains over Units

One roof drain with one overflow drain will be provided at the terraces at Units 3D, 4B, and 4D. Two roof drains and two overflow drains will be provided at the terrace at Unit 4A. All roof drains are located above other Residential Units. Emergency overflow drains are provided as a precaution against water infiltration to the Units below. Unit Owners whose Units include roof terraces shall be responsible for maintaining clear access to roof drains. Any leaks caused by improper maintenance of drains or blocked access to drains shall be the responsibility of the terrace's Unit Owner. Any leaks caused by defects in the piping below the roof slab or internal to the Building shall be the responsibility of the Residential Board and the cost of repair would be a Residential Common Expense.

INTRODUCTION

Nature of the Transaction

807 Manhattan Avenue LLC, a limited liability company organized and existing under the laws of the state of Delaware and authorized to do business in New York State with an office at 38 East 29th Street, New York, New York 10016 (the "Sponsor"), presents this offering plan, as same may be amended from time to time (the "Plan") for the offering of Residential Units to be owned as condominiums in the Residential Section of an existing condominium building known as 807 Manhattan Avenue Condominium (the "Condominium"). The Residential Units offered under this Plan will be located in a building known as 1080 Lorimer Street, Brooklyn, New York 11222 (the "Residential Section") which is part of the larger building, 807 Manhattan Avenue (the "Building"), in which the Residential Section of the Condominium is located and the parcel of land on which the Condominium is situated (the parcel of land and Building are collectively called the "Property"). The Residential Units are being offered under the provisions of, and in compliance with, the Condominium Act (as hereinafter defined). The mailing address of the Residential Unit Owners will be 1080 Lorimer Street, Brooklyn, NY 11222.

Purpose of the Plan

The purpose of the offering plan is to set forth all the material terms of the offer. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. Amendments will be served by regular mail on all purchasers who have executed and delivered purchase agreements to the sponsor or selling agent and whose purchase agreements are in effect, Unit Owners, and commercial or professional tenants of the Property.

The Sponsor and its Interest in the Property

By Declaration dated as of June 23, 2017 and recorded in the New York City Register's Office in Kings County ("Register's Office") on October 3, 2017, as CRFN 2017000366969 ("Original Declaration"), and pursuant to a No-Action letter issued by the Department of Law on November 29, 2016 (File No. NA16-0163), 807 Manhattan Avenue LLC together with 807 Manhattan Avenue Holding LLC ("Original Declarants") established the Condominium for condominium ownership of the Land and Building located at the Property. The Original Declaration is referred to as the "Original Declaration." The Original Declaration created a two (2) unit condominium consisting of two (2) commercial units, Unit C1 (as described in more detail in the section of the Plan entitled "Non-Residential Unit") and Unit C2, consisting of an existing office building adjacent to the Non-Residential Unit. Prior to the recording of the Original Declaration, the Property consisted of a single tax lot (lot 12). After subdividing the Property into two (2) commercial condominium units and two (2) separate tax lots (i.e., Lot 1001 for Unit C1 and Lot 1002 for Unit C2, both in Block 2596), Sponsor acquired Unit C2, from the Original Declarants on November 14, 2017.

The Residential Section

Pursuant to the terms of the Plan, Sponsor intends to construct the Residential Section of the Condominium within Unit C2 and to cause Unit C2 to be subdivided into 29 Residential Units (each having a separate tax lot) and various types of Common Elements by recording in the Register's Office a Second Amendment to the Declaration (a/k/a "Amended and Restated Declaration") and By-Laws, and revised Floor Plans substantially in the form set forth in Part II of the Plan. The Amended and Restated Declaration is referred to in this Plan as the "Declaration." Non-Residential Unit C1 is owned by an entity

unrelated to Sponsor and is not a part of this Offering. Sponsor anticipates that, unless delayed by Force Majeure, closings to Residential Units will occur by July 1, 2020 ("First Closing Date"). Purchasers will be offered a right to rescind the Purchase Agreement if: (i) the actual date of closing to the first Residential Unit ; or (ii) the projected date of closing of title to the first Residential Unit occurs later than July 1, 2021, twelve (12) months after the projected date of the first closing. If the Plan is amended to provide for a later projected date for the first closing of a Residential Unit, Purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Purchasers electing to rescind a Purchase Agreement will receive a refund of the Deposit except for Extra Work Funds to the extent that such Extra Work Funds have been actually expended by Sponsor.

Purchasers are advised that in New York City, newly constructed buildings are sometimes offered as condominium projects without a Permanent Certificate of Occupancy ("PCO") covering the 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 TCOs and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All open building applications affecting the Building must be completed and closed out before DOB will issue a PCO. 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 a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the Residential Section within two years from the date of the issuance of the first TCO, subject, however, to (a) Force Majeure, (b) actions by Residential Unit Owners or tenants of Residential Unit Owners, (c) work undertaken in a Residential Unit by a Residential Unit Owner except in instances where Sponsor or the Sponsor-controlled Condominium Residential gave its consent to a Residential Unit Owner to perform alterations, or (d) work undertaken in the Common Elements by the Residential Board after Sponsor no longer controls the Residential Board, or (e) any other cause over which Sponsor has no control. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE RESIDENTIAL SECTION, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT. Residential Unit Owners and the Residential Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Consequently, Purchasers should note that Residential Units will be ready for occupancy at different times during the period beginning with the date of the First Closing, which may be earlier or later than July 1, 2020. Sponsor will not be liable to any Purchaser and Purchasers shall not be entitled to any offset, credit or reduction in the Purchase Price or be relieved of any other obligation under a Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or if the time to complete or close a Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Residential Section Operation from time to time by amendment to the Plan.

The principals of Sponsor who will be actively involved in this offering are Martin Nussbaum and David Schwartz (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details). Consistent with decisions in the Appellate Divisions of the First and Second Departments, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from such principal's execution of the Certification of Sponsor and Principals, absent liability under another statute or under alter-ego or other veil-piercing theories. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson St. Owner LLC, et al, 106 AD3d 542 (1st Dept., 2013); and, see, 125 North 10th Condominium v. 125North10, 150 AD3d 1065 (2nd Dept., 2017.)

The Condominium will consist of: (a) 29 Residential Units and (b) Unit C1 (sometimes referred to in this Plan as the "Non-Residential Unit" or "Retail Unit"). The Residential Units and the Non-Residential Unit are sometimes collectively referred to as the "Units."

In the event that Sponsor makes a bulk sale (i.e., a sale or transfer of ten (10) or more Residential Units or twenty (20%) percent or more of the Residential Units in the Condominium to a single purchaser for other than such purchaser's occupancy) of all or some of its Unsold Residential Units, the transferee successor sponsor, if any, will be bound by any commitment, if any, Sponsor makes regarding its commitment to sell Residential Units.

Sponsor Reserves the Right to Rent Rather Than Sell Residential Units

Sponsor intends, in good faith, to sell rather than rent the Residential Units after the Plan has been consummated. However, under this Plan due the unpredictability of the real estate market, Sponsor has reserved the unconditional right to rent Residential Units rather than to sell them after the Plan has been consummated. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% (five (5) Residential Units) necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium. See "Special Risks."

The Construction Loan and Construction Lender

Sponsor is constructing the improvements at the Property by means, partially, of a series of loans variously entitled "Senior Loan," "Building Loan" and "Project Loan," and similar names all evidenced by notes and secured by mortgages on the Property from Bank OZK (the "Construction Lender") maintaining an office at 8300 Douglas Avenue, Suite 900, Dallas, Texas 75225 (collectively, the "Construction Loan").

Under the Construction Loan and until it is paid in full, Sponsor is not permitted to rent Residential Units without the prior written consent of the Construction Lender which may be granted or denied in the Construction Lender's sole discretion. Sponsor intends to satisfy the Construction Loan from the proceeds of sales of Residential Units. In order to release a sold Residential Unit from the lien of the Construction Loan, the Lender requires payment of a minimum release price calculated according to a formula but in no event less than the net proceeds realized from a sale, which can be generally defined as the all proceeds from the sale of a Residential Unit less closing costs paid by Sponsor in connection with a Closing of a Residential Unit.

The Construction Loan comes due on or about November 30, 2021 (the "Maturity Date")(with the right to one (1) one (1) year extension option which can extend the Term

of the Construction Loan to November 30, 2022 (the "Extended Maturity Date")). In the event that the proceeds of sales from Residential Units is inadequate to fully satisfy the Construction Loan by the Maturity Date, or, if Sponsor extends the mortgage, then by the Extended Maturity Date**,** the Construction Lender could take ownership of the Unsold Residential Units and would have the right to rent them or, at its option, to sell them. Sponsor will amend the Plan in the event that the Construction Loan is not satisfied by the Maturity Date.

Property to be Submitted to Condominium Act

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium has been and will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known and herein referred to as the "**Condominium Act**." On or before the First Closing Date, Sponsor will record the Declaration and By-Laws set forth in Part II of the Plan and filing the Floor Plans in the Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of each of the Residential Units until each is sold or conveyed.

Offer of Sale of Residential Condominium Units

Residential Units

The Sponsor hereby offers for sale 29 Residential Units on the terms and conditions set forth in the Plan. The prices of the Residential Units are set forth in "**Schedule A – Purchase Prices and Related Information**." THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Storage Bin Licenses

Sponsor is also installing 10 Storage Bins located in the Cellar of the Residential Section. Sponsor shall enter into a Master Storage Bin License Agreement with the Residential Board which is revocable by the Residential Board in accordance with its terms. A copy of the Master Storage Bin License Agreement is set forth in Part II of the Plan. Sponsor has the right under this Plan to enter into Storage Bin Sub-License Agreements with Purchasers and is offering on a first-come first-served basis to Purchasers under this Plan the right to use a Storage Bin under a license agreement with the Residential Board (each a "Storage Bin Sub-License Agreement"). A copy of the Storage Bin Sub-License Agreement is set forth in Part II of the Plan at Exhibit G. Prices to the Sponsor for the right to enter into a Storage Bin Sub-License Agreement are included on Schedule A-1 of this Plan. Only a party who is a Unit Owner shall have the right to use a Storage Bin should one be available. Purchasers who enter into a Storage Bin Sub-License Agreement will pay the Residential Board the monthly Storage Bin License Fee set forth in Schedule A-1. See the Section of the Plan entitled, "**Storage Bin License Agreements**."

Bicycle Storage

Sponsor is also installing a bicycle storage room in the Cellar of the Residential Section that will accommodate the storage of approximately 16 bicycles for use by Residential Unit Owners without charge. Bicycle Storage shall be offered to Unit Owners on a first come-first served basis.

Recreational Facilities

The Condominium will also have an indoor recreational facility for Residential Unit Owners that will include an approximate 624 square foot gym on the second floor and an approximate 363 square foot lounge with a pantry, television and cable connection on the basement level; as well as an approximate 524 square foot outdoor recreational space which will include a gas barbecue and outdoor sink within the inner court and adjacent to the basement level indoor lounge. The Sponsor anticipates that these amenities will be completed within six (6) months of the First Closing Date.

As of the date the Plan was accepted for filing, no contracts or agreements have been entered into and no deposits or advances of funds have been accepted. The prices of the Residential Units and Storage Bins are set forth in "**Schedule A - Purchase Prices and Related Information**". These prices have been set by the Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

Current zoning permits the use of the Property for residential use and as a retail banking facility.

The Condominium Floor Plans set forth in Part II of the Plan show the layout of each Unit. Purchasers should refer to the sections of the Plan entitled "**Changes in Prices and Residential Units**" and "**Rights and Obligations of Sponsor**" for a discussion of the right of Sponsor to make changes to the Residential Units. The Property and the Residential Units therein are being sold in the condition described in the "**Description of Property and Specifications**" section of Part II of the Plan and Sponsor will not have any obligation to make any repairs or improvements except as is expressly provided in the "**Description of Property and Specifications**" or in the "**Rights and Obligations of Sponsor**" section of Part I of the Plan.

Sponsor may sell Residential Units to investors. It should be noted that owner-occupants and investors, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing, i.e., the purchase of a home as opposed to an investment. See "**Special Risks.**"

Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a residential private home. Each Unit Owner owns fee title to his Unit and is entitled to the exclusive possession thereof. Each Unit Owner also owns in common with other Unit Owners an undivided interest in the Common Elements known as his Common Interest. Each Unit Owner must pay Common Charges with respect to his Unit based upon the Common Interest for such Unit in accordance with the Condominium Act.

The Common Elements are comprised of: (i) portions of the property serving and benefitting all Units, generally, including for example, the land on which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements", (ii) portions of the Building serving and benefitting all of the Residential Units exclusively, including for example and without limitation the residential lobby, hallways, corridors and elevators servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements."

Limited Common Elements are devoted to use in common by less than all of the Unit Owners, as provided in the Declaration. Residential Limited Common Elements are

devoted to use by less than all of the Residential Unit Owners. Sponsor has the right to designate portions of the Residential Common Elements as Residential Limited Common Elements in connection with the combining or subdividing of Residential Units as provided in the Declaration. Schedule A indicates the Residential Units that have access to a Balcony or Terrace as a Residential Limited Common Element.

Each Unit Owner is obligated to comply with the Declaration, By-Laws and Rules and Regulations of the Condominium (copies of which are set forth in Part II of the Plan) and any other requirements of the Board of Managers. The Residential Units may be used solely for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law. There are no restrictions on the use, resale or mortgaging of Residential Units by Residential Unit Owners. See the Section entitled "**Terms of Sale; Closing of Title to Units**" for a more detailed explanation of these restrictions on the use of the Residential Units. The By-Laws do not contain a right of first refusal.

Subject to certain conditions contained in the By-Laws and Residential By-Laws, each Residential Unit Owner may mortgage his Unit with a lender and in such amount as he chooses (see "**Procedure to Purchase**"). Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

Sponsor is not offering to arrange institutional financing or to act as agent for any lender with respect to the financing of Residential Units under this Plan. Commercial and savings banks as well as some savings and loan associations may make loans to help Purchasers finance the acquisition of their Residential Units. Each institution has its own lending policies and credit requirements. The Sponsor makes no representation or warranty that institutional financing will be available to Residential Unit Owners or as to the terms and conditions upon which financing might be available. Purchase Agreements are not contingent on a Purchaser's ability to obtain financing.

It should be noted as a Special Risk that although a Purchaser is free to apply for a loan to finance the purchase of a Residential Unit, the obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. The Purchase Agreement that Purchaser shall be required to sign is not contingent upon Purchaser obtaining such financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Accordingly, if a Purchaser applies for and is denied a loan, Purchaser shall still be obligated to close under the Purchase Agreement. If Purchaser fails to close under the Purchase Agreement, Purchaser may forfeit the down payment paid under the Purchase Agreement as liquidated damages (not to exceed 10% of the Purchase Price). Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability or cost of such financing. See **"Special Risks."**

A Unit Owner may decorate the interior of his Unit in any way he desires subject to compliance with the By-Laws and the Rules and Regulations thereunder. Except for compliance with law, there are no limitations or restrictions upon the right of the Sponsor or its designees to decorate or alter their respective Units. A Residential Unit Owner will be responsible for the cost of maintenance and interior repairs to his Residential Unit as well as for the maintenance, repairs and replacements in and to the condensers located on the roof of the Residential Section servicing an individual Residential Unit.

The Sponsor will make application to divide the Residential Section into separate tax lots for each Residential Unit and its Common Interest, which Unit (and its Common

Interest) will then be taxed as a separate tax lot for real estate tax purposes. Once a separate tax lot is established for a Residential Unit and apportionment of the assessed valuation of the Property to a Residential Unit is officially made, a Residential Unit Owner will then be responsible for the payment of the real estate taxes on his, but not any other, Unit and his Unit will not be affected by virtue of nonpayment of real estate taxes with respect to any other Unit. The amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to, square footage, location, Purchase Price and other factors taken into consideration by the taxing authorities. Until the Residential Units are separately assessed as described above, real estate taxes assessed against the Residential Section will be treated as a Common Expense.

The Condominium Board and Residential Board do not have the right to approve or disapprove purchasers. The Sponsor, and its designees, and the Non-Residential Unit Owners may sell or lease all or any portion of their Units without any restriction or limitation imposed pursuant to the Declaration or By-Laws. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy and, consequently, there may always be a substantial number of owners of Residential Units who are non-residents. (See "**Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws**").

Operation and management of the Condominium will be vested in the Board, one (1) member of which will be designated by the Non-Residential Unit Owner and two (2) members of which will be designated by the Residential Board, subject to the rights of the Sponsor, and its designees, to designate members of the Board as more particularly set forth in the By-Laws. After the Sponsor Initial Control Period, each Residential Unit Owner will have a right to vote for members of the Residential Board as provided in the By-Laws. Operation of the Residential Section will be vested in a Residential Board, the members of which will be elected by the Residential Unit Owners, subject to the rights of Sponsor to designate members of the Residential Board, as set forth in the Section of the Plan entitled "**Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws**." When voting for members of the Residential Board, each Residential Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Residential Unit per member to be elected.

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the Schedule B – Project Budget for First Year of Residential Section Operation." As more particularly set forth in the By-Laws and the Residential By-Laws, the Condominium Board and the Residential Board will determine the amount of Common Expenses and Residential Common Expenses, as applicable. On a monthly basis or at such other times as the Residential Board determines, the Residential Board will assess Residential Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interests of all Residential Units. The estimated Common Charges for each Residential Unit for the First Year of the Residential Section Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Section 339 (i) and (m).

The Common Interest of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i (l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of

Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to aggregate Common Interests of all of the Residential Units in the Condominium.

In general, the Common Expenses (see the "Notes to Schedule B" for details) are allocated between the Residential Units in the aggregate and the Non-Residential Unit based on respective Common Interests. The Condominium Board may not modify these allocations without the unanimous consent of the members of the Condominium Board, which consists of 2 Residential Board members and 1 Non-Residential member. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to the Non-Residential Unit. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equal to 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Residential Unit Owners during the First Year of Residential Section Operation subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Residential Units and Related Information."

The Board will determine the amount of Common Expenses. Common Expenses include without limitation the expenses of maintaining and operating the Common Elements and the other expenses set forth in Schedule B. Each Unit Owner will be required to pay Common Charges in accordance with Sections 339-i and 339-m of the New York Real Property Law. Every Unit Owner will be required to pay his proportionate share (which share is based generally on the Common Interests of such Unit) of expenses incurred by the Condominium Board that are applicable to the Common Elements. At least monthly, the Board will assess such Common Charges against each Unit Owner to meet expenses, including Common Expenses. See "**Definitions**" and "**Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws**".

Each Unit will be individually metered for electricity, and the owners of such Unit will be responsible for the cost of electricity in such Unit. See Schedule B-1 for an estimated projection of the individual electric charges for each Residential Unit during the first year of condominium operation. The cost of electricity consumed in and for the Common Elements will be shared by all Unit Owners in accordance with their Common Interests. Water and sewer expenses relating to (i) the Residential Units will be shared by all Residential Unit Owners in proportion to their Residential Common Interests and will be included in the Residential Common Charges payable by the Residential Unit Owners, and (ii) the General Common Elements are included as part of the Common Expenses to be borne by all Unit Owners, as described in Schedule B.

Certain budgeted items (See "Notes to Schedule B" for further details) are allocated between the Residential Units and the Non-Residential Unit on a special basis which reflects actual benefit and/or use associated with that particular item or expense or exclusive control of particular Common Elements. The allocated Common Charges payable by the Non-Residential Unit Owner is sufficient to cover the expenses fairly attributable to each of these Units respectively. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of

Common Interests are the basis for determining a Unit Owners share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the first year of Condominium operation of the property subsequent to the First Closing are set for the in the section of the plan entitled: "**Schedule A - Prices of Units.**"

Subject to certain exception and limitations that are more particularly discussed in Counsel's Tax Opinion, it is the opinion of counsel to the Sponsor that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions may, under present income tax laws, deduct from his or her income for federal, New York State and New York City resident income tax purposes, the real estate taxes paid with respect to his or her Unit and the interest paid on the mortgage, if any, on his Unit, in accordance with his or her method of accounting. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 went into effect. This federal law significantly changed the previously existing Internal Revenue Code, including the taxes and deductions related to home ownership. For the most part a Residential Unit Owner may only deduct (i) interest on $750,000.00 worth of debt incurred to acquire his principal residence or a designated secondary residence, and (ii) up to $10,000 in state and local taxes which would include real estate taxes and income taxes subject to certain limitations (See "**Counsel's Tax Opinion**").

The Condominium shall maintain fire insurance policies insuring the Building (but not including appliances or any furniture, furnishings or other personal property in the Unit) covering the interests of the Condominium, the Board, all the Unit Owners and their mortgagees as their respective interests may appear, in an amount equal to at least eighty percent of the full replacement value of the Building exclusive of excavation and foundations and deduction for depreciation. Each Residential Unit Owner is advised to insure the interior of his own Unit and the contents thereof, including appliances, furniture, furnishings, or other personal property within the Unit. In addition, a Residential Unit Owner may desire to obtain insurance covering his liability to others for personal injury or property damage occurring within or to his Residential Unit.

Reserve Fund

Although no reserve fund is being funded by the Sponsor under this Plan, the budget for the first year of condominium operation does provide for yearly contributions to a reserve fund for capital expenditures. Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five years following the First Closing Date should such capital expenditures be needed. In the event funds are needed for capital expenditures, the Residential Board may decide to increase Common Charges or impose an assessment on all Residential Unit Owners.

Miscellaneous

The Plan (including all Schedules and Parts A, B and C of the Exhibits submitted by the Sponsor to the Department of Law) constitutes the entire offer of Sponsor. Copies of the Plan, and Parts A, B, and C of the Exhibits referred to above, are available to prospective Purchasers and their attorneys for inspection without charge and for copying at a reasonable charge, at the office of the Sponsor during regular business hours, and if and when a sales office is maintained at the Property, then at such sales office. Copies of the Plan will also be available for inspection and copying at a reasonable charge at the Department of Law, 28 Liberty Street, New York, New York 10005. The Plan is offered only to individuals who are 18 years of age or older and who reside in the State of New York, or other entities with offices in the State of New York.

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

DEFINITIONS

"Adverse Effect," shall mean, with respect to the applicable Party, any action or proposed change that could, if realized, (i) increase the Common Charges payable by such Party over those set forth in the budget in effect at the time in question by seven and one-half percent (7.5%) or more, (ii) materially interfere with access to a Unit and/or the Common Elements, (iii) otherwise materially diminish or interfere with the use or enjoyment of such Party's Unit and/or the Common Elements, or (iv) increase a material non-monetary obligation of such Party other than to a de minimis extent.

"Alterations" shall mean demolitions, alterations, installations, additions and improvements, including the installation of new or additional Facilities, the relocation of Facilities, the installation of new or additional Building Systems Equipment and the relocation of Building Systems Equipment.

"Appurtenant Interest" shall mean, with respect to a Unit, the proportionate undivided interest of the owner thereof, pursuant to the terms of Section 339-i of the Condominium Act, in and to: (i) the Common Elements; (ii) any Unit owned or leased at the time in question by the Board (or by the Residential Board with respect to Residential Units) or their designee, corporate or otherwise on behalf of all Unit Owners (or on behalf of all Residential Unit Owners, as applicable); (iii) any proceeds of the sale or lease of the Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Board" or "Board of Managers" means the Board of Managers of the Condominium which will manage the affairs of the Condominium.

"Building" or "Buildings" means the buildings located at 807 Manhattan Avenue & 1080 Lorimer Street, Brooklyn, New York.

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

"By-Laws" means the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

"Closing" or "Closing of Title" means the date, time and place of closing of title and the procedure by which, among other things, fee title to a Residential Unit pursuant to the Plan, unless another closing date is set forth in a Purchase Agreement covering a Residential Unit, is conveyed, in which event such other date shall be the Closing Date for such Residential Unit.

"Closing Date" shall mean the date on which a Closing occurs.

"Code" means the Internal Revenue Code of 1986, as amended.

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

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

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

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

"Condominium" shall mean 807 Manhattan Avenue Condominium which was established pursuant to the terms of the Original Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" means Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

"Condominium Board", "Board" or "Board of Managers" shall mean the board of managers of the Condominium who will manage the affairs of the Condominium.

"Condominium Documents" means collectively this Plan, the Declaration and the By-Laws and the Rules and Regulations thereunder and the Floor Plans, as the same may be amended from time to time.

"Construction Lender" means Bank OZK, maintaining an office at 8300 Douglas Avenue, Suite 900, Dallas, Texas 75225, and its successors and/or assigns.

"Declaration" means the Second Amendment to the Declaration(a/k/a Amended and Restated Declaration (including all Exhibits thereto), a copy of which is set forth in Part II of this Plan, as the same may be amended from time to time.

"Department of Law" means the Real Estate Financing Bureau of the Department of Law of the New York State Office of the Attorney General, 28 Liberty Street, 21st Floor, New York, New York 10005-1413.

"Deposit" means all deposits, advances and payments made by Purchasers prior to the Closing of a Residential Unit.

"Description of Property and Specifications" means the report of PKSB Architects LLP set forth in Part II of the Plan.

"Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Development Rights Purchaser" or "Development Rights Owner" shall mean Sponsor or any Person which acquires all or a portion of the Excess Development Rights from Sponsor.

"Effective Date" shall mean the date upon which the Plan is declared effective.

"Excess Development Rights" shall mean certain rights, as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contingent tax lots may be merged into a single zoning lot ("Combined Zoning Lot") and the Combined Zoning Lot or a portion thereof may be developed by erecting one or more structures with (i) :"floor area" (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess "floor area" not utilized by the Building as of the date of the declaration may be utilized on the zoning lot or transferred to other zoning lots a permitted by the Zoning Resolution.

"Exhibits" means collectively Exhibits A, B, C and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department. The term "Exhibit" is also used to refer to the Exhibits attached in Part II of the Plan.

"Extra Work Funds" means all amounts expended by, or reimbursable to, Sponsor for extra, special or upgrade work to a Residential Unit requested by Purchaser and agreed to in writing by Sponsor.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"First Annual Meeting" shall mean the first annual meeting of the Residential Unit Owners.

"First Closing" and "First Closing Date" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year's Budget" or "Budget For First Year of Condominium Operation" shall mean the Section of the Plan entitled "Schedule B – First Year's Budget." The First Year's

Budget is sometimes referred to herein as "Schedule B" and refers to the first year of operation of the Residential Section.

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

"Force Majeure" shall mean delays caused by acts of God, weather, fire, flood, explosion, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, casualty, labor difficulties, and/or acts of labor unions (including work stoppage and strikes), late delivery or inability to obtain materials, energy, labor, or equipment, government restrictions, failure of transportation, lockout, public disturbances or riots, or any other cause or events beyond Sponsor's reasonable control; provided, however, for the purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control of a party..

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

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

"Institutional Lender" means a holder of a mortgage that has been recorded and is secured by the Property (with respect to construction financing) or by a Unit, which holder is either a savings and loan association, a savings bank, a commercial bank or trust company, a mortgage banking firm, insurance company, opportunity fund, mezzanine lender, real estate investment trust or mortgage trust, a federal, state, municipal, teacher's union or employee, welfare, pension or retirement fund or system, a credit union of which the purchaser is a member, a State of New York Mortgage Agency ("SONYMA") approved mortgagee, the Construction Lender or the City or State of New York or an agency thereof.

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

"Insurance Trustee" means a New York State bank or trust company or savings institution designated by the Board as insurance trustee pursuant to the provisions of the By-Laws.

"Land" means the parcel of land upon which the Building is situated, as more fully described in the Declaration.

"Law" shall mean the laws and ordnances of any or all of the federal, New York State, New York City, County and Borough governments, including, without limitation, the Landmarks Preservation Committee, 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 which are applicable at the time in question.

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

"Majority of Residential Unit Owners" shall mean those Residential Unit Owners having more than 50% of the total authorized votes of all Residential Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Residential Unit Owners at which a quorum is present.

"Majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Managing Agent" means Century Management Services, Inc., or any successor managing agent designated by the Board.

"Monthly License Fee" is the monthly amount set forth on Schedule A-1 that a Residential Unit Owner who has entered into a Storage Bin Sub-License Agreement will pay.

"Original Declarant" means 807 Manhattan Avenue LLC (Sponsor) together with 807 Manhattan Avenue Holding LLC.

"Original Declaration" shall mean the Declaration and By-Laws dated June 23, 2017 and recorded October 3, 3017 in the Office of the Register of the City of New York, Kings County, in CRFN 2017000366969

"Permanent Certificate of Occupancy" shall mean the permanent certificate of occupancy to be issued by the Buildings Department for the Building.

"Permitted Encumbrances" means the title exceptions set forth in "**Terms of Sale; Closing of Title to Units**" subject to which a Unit may be conveyed.

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

"Permitted Mortgagee" shall mean the holder of any Permitted Mortgage of record against a Unit.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor (with respect to the Residential Section), the Non-Residential Unit Owner or the Condominium Board (with respect to the Non-Residential Unit) or the Residential Board or a Residential Unit Owner (with respect to the Residential Units) who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by; (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenance Limited Common Elements; or (ii) the Condominium Board or the Non-Residential Unit (in the case of the Non-Residential Unit, and only to the extent set forth in the Declaration or the Condominium By-Laws); or (iii) the Residential Board, with respect to the Residential Units, or (iii) the Condominium Documents; or (iv) Sponsor, as applicable.

"Persons" shall mean an individual, corporation, partnership, limited liability company, trust, or other legal entity, or any Governmental Authority, and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Plan" means the Condominium Offering Plan of the Residential Section of the 807 Manhattan Avenue Condominium promulgated by the Sponsor as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Plans and Specifications" shall mean the plans and specifications for the construction of the Residential Section which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Prohibited Person" shall mean any Person listed as Specially Designated Nationals on the most current list of The Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") available at or through OFAC's web site http://www.ustreas.gov/offices/enforcement/ofac or as otherwise published from time to time, or an entity that is sanctioned, which means (A) an agency of the government of; (B) an organization directly or indirectly controlled by; or (c) a person resident in a country that is subject to a country's sanctions program administered and enforced by OFAC described or referenced at OFAC's website http://www.ustreas.gov/offices/enforcement/ofac/ or as otherwise published from time to time.

"Property" means collectively the Land and the Buildings.

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

"Purchaser" means a purchaser of a Residential Unit pursuant to a Purchase Agreement.

"Residential Board" means the board of managers of the Residential Section which will manage the affairs of the Residential Section of the Condominium.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of , and any alteration, addition, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Residential Limited Common Elements.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interest are the basis for determining a Residential Unit Owner's liability for such Unit Owner's liability for such Unit Owners share of the Residential Common Expenses.

"Residential Limited Common Elements" shall mean those portions of the Property (other than the Units and the General Common Elements and the Residential Common

Elements), existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Floor Plans.

"Residential Section" shall mean the portion of the Building that, prior to recording of the Declaration comprised Commercial Unit #C2, as same has been extended in size by Sponsor, and which now comprises the twenty-nine (29) Residential Units.

"Residential Unit" shall mean any of the Residential Units located in the Residential Section, which Units are more particularly described in Article 4 of, and Exhibit B to, the Declaration and Floor Plans. All such Units are, collectively, referred to as the "Residential Units."

"Residential Unit Owners" shall mean any Unit Owner of a Residential Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Residential Unit Owners."

"Residential Rules and Regulations" shall mean the Residential 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.

"Resultant Board" shall have the meaning ascribed thereto in Section 11.5.1 of the Original Declaration and for the purposes of this Plan refers to the Residential Board.

"Resultant Unit" or "Resultant Units" shall have the meaning ascribed thereto in Article 11 of the Original Declaration and for the purposes of this Plan refers to the Residential Units.

"Resultant Unit Owner" or "Resultant Unit Owners" shall have the meaning ascribed thereto in Article 11 of the Declaration and for the purposes of this Plan refers to the Residential Unit Owners.

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws

"Selling Agent" shall mean MNS, with an office at 97 N. 10th Street, 2C, Brooklyn, NY 11249.

"Service Equipment" shall mean all of the following now or hereafter installed in the Building, serving one or more Units or the Common Elements, if any, appurtenant thereto: (i) pipes, wires, ducts, risers, cables, conduits and (ii) mechanical, electrical and other equipment, antennas and other communications devices. "Signs" means any sign, advertisement, notice or other lettering.

"Sponsor" or "Declarant" means 807 Manhattan Avenue LLC, a Delaware limited liability company with an office at 38 East 29th Street-9th Floor, New York, NY 10016.

"Sponsor Initial Control Period" shall mean the period of time during which the Sponsor has voting control of the Board; to wit, until, but no later than, thirty (30) days after the Closing of Title to all Residential Units under the Plan.

"Storage Bin" means one of the 10 Storage Bins located in the sub-cellar of the Condominium.

"Storage Bin Sub-License Agreement" means the agreement that a Residential Unit Owner who purchases a Storage Bin License will enter into with Sponsor, a copy of which is set forth in Part II of the Plan.

"Storage Bin License Payment" payment is the amount set forth in Schedule A-1 that the Purchaser of a Residential Unit will pay Sponsor at Closing.

"Temporary Certificate of Occupancy" means a temporary certificate of occupancy for the Residential Section, or any portion thereof, issued by the Buildings Department.

"Terrace" or "Balcony" shall mean any terrace or balcony which is appurtenant to a Residential unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Residential Section.

"Total Common Interest" or "Percentage of Total Common Interest" shall mean the proportionate, undivided interest in the Common Elements, appurtenant to all of the Units, expressed as a numerical percentage, as such interest is determined in accordance with the Declaration.

"Unit" shall mean any "Unit" as such term is defined in the Condominium Act, located in the Building, which Units are more particularly described in Article 4 of, and Exhibit B to, the Declaration and in the Floor Plans. All such Units are, collectively, referred to as the "Units."

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unsold Residential Unit" shall mean any Residential owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or a principal of Sponsor at the time in question. All such Unsold Residential Units are, collectively, referred to as the "Unsold Residential Units."

"Unsold Residential Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

A detailed description of the Property, the Residential Units and certain facilities and services that will be provided at the Condominium is set forth in the "**Description of Property and Specifications**" in the report of Sponsor's Architect, PKSB Architects, P.C., in Part II of the Plan. The following is intended to be a general description of the Property.

Location

The Property is located at 807 Manhattan Avenue (Non-Residential Unit) and 1080 Lorimer Street (Residential Units), in the Borough of Brooklyn, City and State of New York.

The Land

The Land upon which the Condominium is situated is located on the westerly side of Manhattan Avenue and the easterly side of Lorimer Street with frontage on the southerly side of Calyer Street on the block bounded by Manhattan Avenue to the East, Lorimer Street to the West, Calyer Street to the north and Meserole Avenue to the south. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Property is presently designated as Block 2596, Lots 1001 (Unit C1, Non-Residential Unit) and 1002 (Unit C2, Residential Section), on the tax map of the City of New York for the Borough of Brooklyn, as said Tax Map was on March 5, 2019. The Non-Residential Unit is currently used as a retail banking facility operated by Capital One Bank. Prior to its renovation by Sponsor, the Residential Section was in a building connected to the Non-Residential Unit and was used as offices.

The Residential Section

The Residential Section will contain 4 stories and a cellar and as of the date of acceptance for filing of this Plan by the Department of Law is entirely vacant of tenants or rights to occupancy. The Residential Section is in the process of being renovated including the addition of the fourth floor. Construction work commenced shortly prior to the date of this Plan. The Non-Residential Unit will be at the Cellar and first through fourth floors with a main entrance on the east side of Lorimer Street. The Residential Units will be on floors 1 to 4 of the Residential Section. Such construction shall be substantially completed as described in "**Description of Property and Specifications**" in Part II of the Plan. The Residential Section's main entrance for the Residential Units is located on Lorimer Street.

Description of Improvements

The Sponsor intends to construct the Residential Section substantially in accordance with the plans and specifications prepared by PKSB Architects, P.C., copies of which are available for examination by prospective Purchasers at the Selling Agent's office. Such plans and specifications as the same may be amended from time to time by Sponsor are referred to in this Plan as the "Plans and Specifications."

A general description and outline of the Plans and Specifications of the Residential Section, equipment, furnishings and facilities as well as a statement of building condition is set forth in "**Description of Property and Specifications**" in Part II of the Plan.

The improvements described in the Plans and Specifications shall, upon issuance of the temporary or permanent certificate of occupancy for the Residential Section, be in

compliance with all applicable zoning codes of the City of New York and other applicable regulations, codes and governmental requirements.

Upon completion of the construction of the Residential Section in accordance with the Plans and Specifications, it is presently contemplated that the Condominium will contain 29 Residential Units with residential amenities, and the Non-Residential Unit, all as described in this Plan.

Completion of Residential Section and Residential Units

Construction work on the Residential Section commenced in November, 2018. Sponsor anticipates that the construction will be substantially completed on or about April, 2020. Construction may be delayed because of, and the obligations of Sponsor under this Plan and any Purchase Agreement are subject to, weather, strikes, lockouts, acts of God, local shortages, inability to obtain materials, equipment or labor, government restrictions or pre-emption, damage by fire or the elements, war, acts of terrorism, or any other cause. The period within which the Sponsor must complete any of its obligations under this Plan or any Purchase Agreement shall be extended by the period of such delay.

The construction shall be deemed fully completed in accordance with the Plans and Specifications when (a) a temporary or permanent Certificate of Occupancy for the Residential Section of the Building shall have been issued by the Department of Buildings of the City of New York, and (b) the Sponsor's architect or engineer shall have certified that the Residential Section has been substantially completed in accordance with the Plans and Specifications except for (i) work in Residential Units to be done by or for the account of Purchasers, (ii) work in the Building customarily left incomplete until after occupancy, such as recreation facilities and common areas, and (iii) punch list items.. (See "**Rights and Obligations of Sponsor**").

A Purchaser should note that prior to the conveyance of title to him of his Unit he may not perform any work in the Unit without first obtaining the Sponsor's prior written consent. In addition, as provided in the By-laws, prior to the issuance of a permanent certificate of occupancy for the Residential Section following completion of the construction as described in the Plan, no Unit Owner other than Sponsor shall be permitted to make any alterations or improvements to his Unit without the prior written consent of Sponsor.

Lot Line Windows

There are lot line windows as shown on the floor plans. The following Residential Units have lot line windows: 2E, 3E, 3G, 3H and 4D. While such windows provide views, light and air to spaces in the Residential Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Residential Units having lot line windows have other windows which satisfy requirements for the lawful use of such Residential Units for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more buildings of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost of sealing a lot line window is currently estimated to be $2,000. Any infill of lot line windows will be made by the Unit Owner and the cost and expense thereof will be the responsibility of such Unit Owner. Neither Sponsor, Sponsor's architect, the Condominium Board, the Residential Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all of the lot line windows is required.

Asbestos Containing Materials

All Asbestos Containing Material ("ACM") in areas of the Building that were disturbed by construction have been removed by qualified contractors. Some ACM will remain in place and will be encased by the renovations performed by Sponsor. Approximately 2,280 square feet of ACM which shall remain is limited to waterproofing membrane (tar) at columns and spandrel beams which remain at the south lot line . All remaining ACM is non-friable and will be encased in sheetrock. The Units where encased ACM is located are: 1D, 1E, 2F, 2G, 2J, 3F, 3G, AND 3J. Encased ACM will also remain above the ceiling of the Residential lobby. See "**Description of Property and Improvements**" in Part I and Sponsor's Architect's "**Description of Property and Specifications**" and the "**Asbestos Report**" both in Part II of the Plan.

New York City Local Law 11 of 1998

Since the Building is less than six (6) stories, the requirements of periodic façade inspections contained in New York City's Local Law 11 of 1998 are not applicable to the Building.

No Common Laundry Facility

There will be no central laundry facility as each Residential Unit will contain a washing machine and clothes dryer. See "**Description of Property and Specifications**" section of Part II of the Plan.

Appliances

Each Residential Unit will be equipped with a refrigerator, stove/oven, dishwasher, and a washing machine and dryer. See Architect's **"Description of Property and Specifications**" in Part II of the Plan.

Views

Zoning districts can be modified from time to time and views from the Residential Units may be blocked if, among other reasons, (i) the height, bulk or density of an adjacent building is changed, (ii) the zoning district designation is amended to permit greater building bulk and density, (iii) if a zoning variance is obtained, (iv) if the F.A.R. for the zoning district is changed or (v) if the Zoning Resolution is otherwise amended. No assurance can be given that the views currently existing (or existing when Purchaser first purchases or occupies the Unit) will continue to exist unchanged. As of the date of filing of this Plan, Sponsor has no knowledge of a potential or impending change in the zoning district in which the Condominium is located. See **"Special Risks."**

Limitation of Sponsor's Liability

This Offering Plan is subject to The New York State Housing Merchant Implied Warranty (General Business Law Article 36-B) which applies to new single family homes or new for-sale units in a multi-unit residential structure of 5 stories or less in which title is transferred to Owners under a condominium or cooperative regime. Pursuant to the terms of this law, Sponsor is giving a Limited Warranty to Purchasers which provides for a Limited Warranty on certain items. See paragraph numbered 5 of the section entitled **"Rights and Obligations of Sponsor"** and the subheading "Sponsor's Work" for a more thorough discussion of the limitations of Sponsor's liability. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first buyer of a Unit only; Sponsor's liability is limited to 50% of the Purchase Price of the

Unit exclusive of all options and less any insurance proceeds received by Purchaser; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor.

Units and Common Elements

It is anticipated that the Condominium will contain 29 Residential Units and a Non-Residential Unit and 10 Storage Bins. Sponsor is also installing a bicycle storage room in the Cellar of the Residential Section that will accommodate the storage of approximately 16 bicycles for use by Residential Unit Owners without charge.

The Condominium will also have an indoor recreational facility for Residential Unit Owners that will include an approximate 624 square foot gym on the second floor and an approximate 363 square foot lounge with a pantry, television and cable connection on the basement level; as well as an approximate 524 square foot outdoor recreational space which will include a gas barbecue and outdoor sink within the inner court and adjacent to the basement level indoor lounge. The Sponsor anticipates that these amenities will be completed within six (6) months of the First Closing Date.

A summary description of the Residential Units offered for sale under this Plan is set forth in "**Introduction**" and "**Schedule A**." Floor plans for the Residential Units are set forth in "**Condominium Floor Plans**" in Part II of the Plan.

The legal description of the Residential Units, the Common Elements, and the various Limited Common Elements is set forth in the Declaration in Part II of the Plan and is summarized in "**Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws**" in Part I of the Plan, and as follows:

Description of Common Elements

The Common Elements of the Condominium consists of the entire Property other than the Units and are comprised of: the General Common Elements ("General Common Elements"), the Residential Common Elements ("Residential Common Elements"), the Residential Limited Common Elements ("Residential Limited Common Elements"), and the Limited Common Elements ("Limited Common Elements"), all of which are described in Article 5 of the Declaration, a copy of which is reproduced in Part II of the Plan. A Unit Owner will have an undivided interest in all of the Common Elements. The Common Elements may not be divided or partitioned except as provided in the Condominium Act.

General Common Elements

The General Common Elements are all of the Common Elements exclusive of the Residential Common Elements and the other various types of Limited Common Elements and include (even if within the dimensions of a Unit) the following: (a) the Land; (b) any foundations, columns, girders, beams, supports, and wood joists; (c) (to the extent not expressly part of a Unit) the roof, all walls and partitions separating Units from the Common Elements; (d) (to the extent not located within or specifically made part of a Unit or a Limited Common Element), hallways, stairs and corridors within the Common Elements, and entrances to and exits from the Common Elements; (e) the central and appurtenant installations and equipment for services such as power, light, telephone, gas, hot and cold water and sewer and fire safety, drainage systems, sewers and/or storm pipes, drywells, or detention tanks, including all pipes, ducts, wires, cables and conduits used in connection therewith and all maintenance, meter and common equipment spaces (including the electric meter and gas rooms, boiler rooms, stairs, and water meters) in connection therewith (except for appliances and equipment located in and serving only

such Unit which shall constitute a part of such Unit); (f) maintenance and common equipment spaces and the common tanks, pumps, motors, fans and controls or other such equipment; (g) all Units which may hereafter be acquired and held by the Board on behalf of some or all Unit Owners but only while so held; and (h) to the extent not specifically made a part of a Unit, or a Limited Common Element by the terms of the Declaration, all other parts of the Property including all apparatus and installations existing on the Land for common use or which are necessary or convenient to the existence, maintenance or safety of the Property.

Residential Common Elements

The Residential Common Elements shall mean those portions of the Common Elements either existing for the common use of all of the Residential Units or Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Floor Plans, or which are created pursuant to the terms of the Declaration (including, without limitation, the provisions of Section 9 thereof). The Residential Common Elements consist of those portions of the Residential Section, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Units only. See the Declaration for a more detailed description of specific areas of the Residential Section that are designated Residential Common Elements.

Limited Common Elements

The Limited Common Elements shall consist of those Common Elements that serve or benefit exclusively a particular Unit or Units to the exclusion of all other Units and which are identified as a Limited Common Element on the Floor Plans, and/or which are created pursuant to the terms of the Declaration (including, without limitation, the provisions of Section 9 thereof). Unit Owners with exclusive use to a Limited Common Element (including Terraces and Balconies) shall be responsible for the maintenance, repair and replacement of all surfaces of such Limited Common Element and the Condominium shall be responsible for any work that may be required to be performed on portions of the Limited Common Elements that support such surfaces.

Residential Limited Common Elements

The Residential Limited Common Elements are those portions of the Property (other than the Units and General Common Elements, Limited Common Elements and the Residential Common Elements), existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners such as Terraces and Balconies which serve or benefit exclusively a particular Unit, as more particularly described in the Declaration and the Floor Plans, or which are created pursuant to the terms of the Declaration (including, without limitation, the provisions of Section 9 thereof).The Residential Limited Common Elements consist of all portions of the Land and Building (other than the Residential Units) that are for the use of one or more specified Residential Units to the exclusion of other Units.

Terraces and Balconies As Residential Limited Common Elements

Units 1G, 3H, 4A, 4B and 4D shall each have exclusive use of private terraces adjacent to such Units (the “Terraces”). Terraces are considered Limited Common Elements as defined in the Plan and Declaration. The Residential Board shall have unlimited access to all areas of the Terraces for the purpose of making inspections and repairs. The Residential Unit Owner who has exclusive use of a Residential Limited

Common Element (such as a Terrace) shall be responsible for all repairs or replacements to all surfaces of such Terrace and the Residential Board shall be responsible for any work that may be required on the parts of the Residential Limited Common Elements that support such surfaces. Any Residential Unit Owner desiring to make a replacement or repair to a Terrace must first obtain the written consent of the Residential Board. No other improvement or structure may be placed on the Terrace without the prior written approval of the Residential Board, which approval may be granted or denied for any reason or no reason, and if granted, such approval may be conditioned on such matters as the Residential Board, in its sole discretion, may deem reasonable including conditions with respect to time periods when work is permitted, handling of construction debris, measures to ensure building security during construction, interruption of elevator and other services during construction and liability coverage for contractors during construction. Such conditions may also be imposed with respect to repairs and replacements of the existing conditions and materials on the Terraces. No construction work may be done on any Terrace without a New York City Buildings Department permit. In addition, any construction on a Terrace will require a variance of the New York City Board of Standards and Appeals. No structure can be built on a Terrace "as of right." A Residential Unit Owner shall have no right to apply for a variance without the prior written consent of the Residential Board which consent may be denied for no reason or any reason.

The Property is not a designated Landmark although it is located within a New York City Historic District (Greenpoint) and is listed on the State and National Registers of Historic Places. All work on the building and individual units, both interior and exterior, other than routine maintenance, requires review and approval by the New York City Landmarks Preservation Commission under current regulations. These reviews and approvals must be obtained prior to issuance of permits for construction. As a National Historic Landmark, the building is currently exempt from providing the calculations required to comply with Energy Code. Best practices are still employed in selecting light fixtures, energy efficient appliances, building insulation, and insulated glass. The NYC Department of Buildings should be consulted for any changes in regulations. All future Unit Owners and Sponsor are subject to Landmark Preservation Commission approval requirements. See "**Special Risks**."

LOCATION AND AREA INFORMATION

Location and Services

The Residential Section of the Condominium abuts the old Greenpoint Savings Bank building, which is now the Non-Residential Unit of the Condominium occupied by Capital One Bank as a retail banking facility under a lease with the Non-Residential Unit Owner. The Condominium is located on the southeast corner of Calyer and Lorimer Streets in the neighborhood known as Greenpoint. It sits in the Greenpoint Historic District in the Borough of Brooklyn in the City of New York. Public transportation provides easy, rapid access to the rest of Brooklyn as well as the other Boroughs of the City of New York and the entire New York Metropolitan Area. Metropolitan Transit Administration ("MTA") subway service is less than a five-minute walk from both the Nassau Avenue and the Greenpoint Avenue G train stations. The Nassau Avenue stop is only two (2) stops to the Lorimer and Bedford L train stop, which provides direct access to Manhattan, including Union Square Station connecting commuters to all parts of New York City. The Greenpoint Avenue stop on the L is only two stops to the 7, M and W trains, which provide direct access to Midtown Manhattan including Grand Central and Penn Station and to all parts of New York City as well as Westchester, Connecticut and New Jersey. The B43, B48 and B62 bus lines run along avenues within close proximity to the Property. Ferry service to Manhattan is also accessible. Prospective purchasers are urged to investigate MTA information services to determine frequency and reliability of transit services as well as shut-downs and possible reduced service for any subway or bus line. No representation is made by Sponsor with respect to subway and bus service.

Medical, Educational and Religious Facilities

Beth Israel Medical Center is the closest hospital to the Condominium. There are numerous private physicians and dentists have offices in the area surrounding the Condominium.

A number of private, public and parochial schools on the elementary, junior high school and high school levels are located near the Condominium. Public schools are operated by the New York City Department of Education. The public schools that service the area are: PS 31 and PS 32. Berkley Carroll is one of the many private schools in the area. No representation is made by Sponsor as to the qualifications necessary for a student to gain admission any public or private school in the vicinity.

There are various houses of worship of most denominations near the Condominium and it is in walking distance to McCarren Park.

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

Public services, including schools, police protection, library, street maintenance, social services and fire protection are provided by the City of New York. The Condominium is served by the New York City Police, Fire, and Sanitation Departments including snow removal and road maintenance for the streets adjacent to the Property. The 94th Precinct is a 2-minute walk from the Building. FDNY Engine 23 and Ladder 36 is also in close proximity to the Property. Snow removal and maintenance of the sidewalks adjacent to the Residential Section are the responsibility of the Residential Board and the cost thereof has been included as a Residential Common Expense in the Budget for the first Year of Condominium Operation. Water and sewer services are also provided by the

City of New York, the cost for which is a Common Expense included in the Budget for the First Year of Condominium Operation.

New York City is the largest city in the United States, as well as one of the principal urban centers of the world. Brooklyn is one of the five Boroughs of New York City, containing numerous business and financial centers, excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of restaurants.

Zoning and Use

The Property is located in an 13A Zone as shown on Map of the Zoning Resolution of the City of New York in a Zoning District of C4-3A and R6A, which allows for residential, community facility and commercial use. The Building is Class 1 fireproof. Purchasers should examine the area surrounding the Property to determine whether any of the uses of local properties is consistent with their preferences.

Noise

The development is located in a densely populated area. Exterior noise levels are consistent with that of an urban area and may be audible inside the Residential Units. Some Residential Unit Owners may install amplified loud speakers and television monitors on walls within their Unit which share a common wall with another Residential Unit and this may result in vibration and sound transmission to adjoining Residential Units.

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SCHEDULE A

807 MANHATTAN AVENUE CONDOMINIUM

1080 LORIMER STREET, BROOKLYN, NEW YORK 11222

SCHEDULE A: PURCHASE PRICE AND RELATED INFORMATION FOR THE FIRST YEAR OF CONDIMINIUM OPERATION

JULY 1, 2020 THROUGH JUNE 30, 2021

Unit	Number of Bedrooms/ Baths	Unit Square Footage	Uninhabitable Terrace Square Footage	Offering Price	Percentage General Common Interest	Percentage Residential Common Interest	Projected Monthly Common Charge	Projected Monthly Real Estate Taxes	Projected Annual Real Estate Taxes	Projected Total Monthly Carrying Charges
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9)	(10)
1A	2 BR / 3 BA	1607	0	$ 1,875,000.00	3.0236	4.1213%	$ 1,064.54	$ 2,711.20	$ 32,534.37	$ 3,775.73
1B	3 BR / 3 BA	2206	0	$ 2,850,000.00	4.1326	5.6330%	$ 1,455.01	$ 3,705.67	$ 44,468.03	$ 5,160.68
1C	2 BR / 2.5 BA	1975	0	$ 2,450,000.00	3.7317	5.0865%	$ 1,313.85	$ 3,346.15	$ 40,153.85	$ 4,660.00
1D	2 BR / 2 BA	1573	0	$ 1,895,000.00	2.9580	4.0319%	$ 1,041.44	$ 2,652.39	$ 31,828.62	$ 3,693.83
1E	1 BR / 1 BA	881	0	$ 999,000.00	1.6504	2.2496%	$ 581.07	$ 1,479.90	$ 17,758.79	$ 2,060.97
1F	3 BR / 3 BA	2329	0	$ 2,795,000.00	4.3630	5.9470%	$ 1,536.12	$ 3,912.23	$ 46,946.81	$ 5,448.35
1G	2 BR / 2 BA	1280	646	$ 1,995,000.00	2.6525	3.6155%	$ 933.89	$ 2,378.46	$ 28,541.48	$ 3,312.34
2A	3 BR / 2 BA	1490	0	$ 2,150,000.00	2.7652	3.7692%	$ 973.59	$ 2,479.57	$ 29,754.82	$ 3,453.16
2B	1 BR / 1 BA	787	0	$ 1,050,000.00	1.4596	1.9895%	$ 513.89	$ 1,308.79	$ 15,705.51	$ 1,822.68
2C	2 BR / 2 BA	1168	0	$ 1,750,000.00	2.1661	2.9526%	$ 762.66	$ 1,942.37	$ 23,308.41	$ 2,705.03
2D	2 BR / 2 BA	1442	0	$ 1,950,000.00	2.6743	3.6453%	$ 941.58	$ 2,398.06	$ 28,776.73	$ 3,339.64
2E	1 BR / 2 BA	1263	0	$ 1,650,000.00	2.3516	3.2054%	$ 827.96	$ 2,108.67	$ 25,304.07	$ 2,936.63
2F	2 BR / 2 BA	1135	0	$ 1,725,000.00	2.1143	2.8819%	$ 744.40	$ 1,895.86	$ 22,750.29	$ 2,640.26
2G	2 BR / 1 BA	891	0	$ 1,375,000.00	1.6525	2.2524%	$ 581.80	$ 1,481.74	$ 17,780.90	$ 2,063.54
2H	2 BR / 2 BA	1193	0	$ 1,775,000.00	2.2125	3.0158%	$ 778.98	$ 1,983.94	$ 23,807.33	$ 2,762.93
2J	2 BR / 2 BA	1292	0	$ 1,850,000.00	2.4073	3.2813%	$ 847.56	$ 2,158.60	$ 25,903.24	$ 3,006.17

ALL OF THE UNINHABITABLE SPACE IDENTIFIED IN SCHEDULE A REFERS TO UNITS WHICH HAVE OUTDOOR BALCONIES OR TERRACES APPURTENANT TO SUCH UNITS AS LIMITED COMMON ELEMENTS. THE OUTDOOR BALCONIES AND TERRACES MAY NOT BE LEGALLY USED AS BEDROOMS OR LIVING ROOMS. TO DO SO MAY RESULT IN A BUILDING CODE VILOATION BEING ISSUED FOR THE BUILDING. THE FOOTNOTES THAT FOLLOW SCHEDULE A ARE AN INTEFRAL PART HEREOF. WHILE THE NEW YORK CITY AND NEW YORK STATE TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN CONDOMINIUM UNIT TRANSACTIONS, THE SPONSOR IS TRANSFERRING ITS STATUTORY OBLIGATION TO PAY TRANSFER TAXES TO PURCHASERS.

SCHEDULE A

807 MANHATTAN AVENUE CONDOMINIUM

1080 LORIMER STREET, BROOKLYN, NEW YORK 11222

SCHEDULE A: PURCHASE PRICE AND RELATED INFORMATION FOR THE FIRST YEAR OF CONDIMINIUM OPERATION

JULY 1, 2020 THROUGH JUNE 30, 2021

Unit	Number of Bedrooms/ Baths	Unit Square Footage	Uninhabitable Terrace Square Footage	Offering Price	Percentage General Common Interest	Percentage Residential Common Interest	Projected Monthly Common Charge	Projected Monthly Real Estate Taxes	Projected Annual Real Estate Taxes	Projected Total Monthly Carrying Charges
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(10)
3A	3 BR / 2 BA	1491	0	$ 2,200,000.00	2.8211	3.8453%	$ 993.24	$ 2,529.63	$ 30,355.57	$ 3,522.87
3B	1 BR / 1 BA	787	0	$ 1,075,000.00	1.4891	2.0297%	$ 524.27	$ 1,335.24	$ 16,022.86	$ 1,859.51
3C	2 BR / 2 BA	1159	0	$ 1,780,000.00	2.1929	2.9891%	$ 772.09	$ 1,966.38	$ 23,596.55	$ 2,738.47
3D	2 BR / 2 BA	1208	250	$ 1,875,000.00	2.4027	3.2750%	$ 845.94	$ 2,154.46	$ 25,853.51	$ 3,000.39
3E	1 BR / 2 BA	1418	0	$ 1,850,000.00	2.6829	3.6570%	$ 944.61	$ 2,405.76	$ 28,869.09	$ 3,350.36
3F	2 BR / 2 BA	1135	0	$ 1,755,000.00	2.1570	2.9401%	$ 759.43	$ 1,934.14	$ 23,209.74	$ 2,693.58
3G	2 BR / 1 BA	891	0	$ 1,400,000.00	1.6858	2.2979%	$ 593.55	$ 1,511.67	$ 18,140.08	$ 2,105.22
3H	2 BR / 2 BA	1193	0	$ 1,805,000.00	2.2573	3.0768%	$ 794.74	$ 2,024.07	$ 24,288.87	$ 2,818.81
3J	2 BR / 2 BA	1298	0	$ 1,880,000.00	2.4559	3.3476%	$ 864.69	$ 2,202.22	$ 26,426.62	$ 3,066.91
4A	3 BR / 2 BA	1468	1,479	$ 2,995,000.00	3.4976	4.7675%	$ 1,231.45	$ 3,136.30	$ 37,635.60	$ 4,367.75
4B	3 BR / 2 BA	1588		$ 2,945,000.00	3.4026	4.6380%	$ 1,198.00	$ 3,051.11	$ 36,613.30	$ 4,249.11
4C	1 BR / 1 BA	717	0	$ 1,150,000.00	1.3701	1.8675%	$ 482.38	$ 1,228.53	$ 14,742.42	$ 1,710.91
4D	2 BR / 2 BA	1227	618	$ 2,295,000.00	2.6340	3.5903%	$ 927.38	$ 2,361.88	$ 28,342.55	$ 3,289.26
					73.3640		$ 25,830.08			
C1				**NOT OFFERED**	26.636		$ 1,324.33			
TOTAL				$ 55,139,000.00	100.0000	100.0000%	$ 27,154.41	$ 65,785.00	$ 789,420.00	$ 91,615.08
						Annual	$ 325,852.96			$ 1,099,381.00

ALL OF THE UNINHABITABLE SPACE IDENTIFIED IN SCHEDULE A REFERS TO UNITS WHICH HAVE OUTDOOR BALCONIES OR TERRACES APPURTENANT TO SUCH UNITS AS LIMITED COMMON ELEMENTS. THE OUTDOOR BALCONIES AND TERRACES MAY NOT BE LEGALLY USED AS BEDROOMS OR LIVING ROOMS. TO DO SO MAY RESULT IN A BUILDING CODE VILOATION BEING ISSUED FOR THE BUILDING. THE FOOTNOTES THAT FOLLOW SCHEDULE A ARE AN INTEFRAL PART HEREOF. WHILE THE NEW YORK CITY AND NEW YORK STATE TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN CONDOMINIUM UNIT TRANSACTIONS, THE SPONSOR IS TRANSFERRING ITS STATUTORY OBLIGATION TO PAY TRANSFER TAXES TO PURCHASERS.

FOOTNOTES TO SCHEDULE A

Footnotes 1, 2, 3 and 4: Reference should be made to the Floor Plans in Part II of this Plan for the layout of each Residential Unit. Purchasers are advised, however, that the dimensions shown on the Floor Plans are approximations, within reasonable tolerances, and are subject to change should site conditions so necessitate. Each Residential Unit should be physically inspected to determine its actual dimensions, layout and condition. Listed floor space (square footage) is only approximate and may exceed the useable square footage of the Unit. The floor space of each Residential Unit has been measured as follows: from the exterior side of the exterior walls and the exterior side of public corridors, elevators, stairs, columns and other mechanical equipment spaces to the center line of the interior walls or partitions separating one Unit from another Unit. Consequently, the square footage calculations are based upon measurements that include portions of the Common Elements and are not based upon measurements from interior surfaces of interior walls. Therefore, since the measurements included on Schedule A are from exterior surfaces of exterior walls, they are significantly more than the usable square footage of the Residential Units. See the "**Special Risks**" Section of the Plan. Those Common Elements which are used by or service two or more Units have been designated as Residential Common Elements. In addition, Sponsor and its designees have the right to designate a portion of the Residential Common Elements as a Residential Limited Common Element in connection with the combining or subdividing of two Units or as otherwise provided in the Declaration. See **"Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws."**

Footnote 5: The Sponsor reserves the right to change the price of any Residential Unit without prior notice or amendment to the Plan except that a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Residential Units or Residential Unit models, (b) a price change that is to be advertised, or (c) a price increase for an individual purchaser. The offering price of a Residential Unit is negotiable and may be changed. Thus, the prices paid by Purchasers for similar Residential Units may be different without altering the Common Interest allocated to the Residential Units or the Common Charges with respect thereto. See **"Changes in Prices and Units."** Purchasers shall also be required to pay various Closing costs, some of which are normally the statutory responsibility of a Seller, including New York City and New York State Transfer Taxes, certain fees of Sponsor's attorney and late fees in the event that a Purchaser fails to timely close under the Purchase Agreement, and a portion of the Purchase Price. See **"Unit Closing Costs and Adjustments"** and **"Special Risks."**

Footnote 6: The percentage interest of each Unit in the General Common Elements (General Common Interest) is set forth in this column of Schedule A and is apportioned in the same proportion that the Unit bears to the aggregate Common interests of all of the Units in the Condominium including the Retail Unit. Every Unit Owner will be responsible for his proportionate share of the Common Expenses of the Condominium, based upon his Common Interest (except as otherwise provided in the Declaration or By-Laws), and will have the same proportionate share of any common profits of the Condominium or any distribution upon termination or condemnation of the Condominium. The percentage of General Common Interest for each Unit has been determined as provided in Section 339-i(1)(iv) of the Real Property Law, that is, as between the Retail Unit and the Residential Section, 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.

Footnote 7: The percentage interest of each Residential Unit in the Residential Common

Elements (Residential Common Interest) is set forth in this column of Schedule A and is apportioned in the same proportion that the Residential Unit bears to the aggregate Common interests of all of the Residential Units in the Condominium. The percentage of Residential Common Interest for each Residential Unit has been determined as provided in Section 339-i(1)(iv) of the Real Property Law, that is, based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

Footnote 8: The Common Charges payable by each Residential Unit Owner are apportioned in the proportion that the individual Residential Unit's Common Interest bears to the aggregate Residential Common Interests of all Residential Units and based upon the Common Charges set forth in Schedule B-Projected Budget for the First Year of Condominium Operation. The estimated monthly Common Charges for each Residential Unit is calculated by multiplying the Common Expenses attributable to all Residential Units (estimated to be $25,947.10 monthly for the projected first year of Condominium operation) by the Residential Common Interest of each Residential Unit relative to the aggregate Residential Common Interests of all Residential Units. The estimated Common Charges are for the period from July 1, 2020 through June 30, 2021, which period is assumed to be the first year of condominium operation. This period is used only for purposes of projection and illustration. Sponsor does not warrant that Condominium operation will commence on July 1, 2020. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Due to the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including heating costs, utilities, maintenance and repairs, labor and other related expenses, will increase in the future. This plan will be amended to disclose any material change in these projections.

In addition to the estimated Common Charges, each Residential Unit Owner will be responsible for paying: (i) debt service payments under any loan or loans obtained to finance the acquisition of his or her Residential Unit; (ii) the cost of any cable television service and/or satellite dish and/ other television service (iii) the cost of electricity to his or her Residential Unit, which electricity shall be separately metered and payable by the Residential Unit Owner directly to the utility company as and when billed (See Schedule B-1 for the anticipated cost of electricity to individual Units); (iv) the cost of carpeting, painting and decorating his or her Residential Unit; (v) the cost of interior repairs to and the maintenance of his or her Residential Unit, including but not limited to, repairs to and maintenance of walls, including the exterior face thereof, ceilings and floors and all kitchen and bathroom fixtures and appliances and heating units, and as to Residential Units which include a Terrace or Balcony as a Residential Limited Common Element, all maintenance, repairs and replacements to such Residential Limited Common Element, which repairs and replacements shall be performed by such Residential Unit Owner; (vi) 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 Residential Unit; and (vii) real estate taxes.

Footnote 9: These columns contain an estimate of the monthly and annual real estate taxes that will be payable by Residential Unit Owners during the first year of Condominium operation (i.e., July 1, 2020 through June 30, 2021).

Lawrence J. Berger, P.C., 200 Madison Avenue, Suite 1902, New York, NY 10016, ("**Sponsor's Real Estate Tax Counsel**"), has estimated in a letter dated May 29, 2019 and reproduced in Part II of the Plan ("**Real Estate Tax Counsel's Opinion Letter**") that the taxable assessed valuation of the Residential Units at the Property will be $5,900,000 for the tax year July 1, 2020 through June 30, 2021.

Based on an estimated tax rate per $100 of assessed valuation for Units of $13.38 for tax year 2020/2021, the estimated real estate taxes for the Residential Units during the first fiscal year of condominium operation (i.e., July 1, 2020 through June 30, 2021) will be approximately $789,420 (aggregate for all Residential Units).

This estimate assumes that the assessed valuation will be increased solely due to the rehabilitation being completed by Sponsor. All prospective Purchasers are advised that although the estimate of assessed valuation is a good-faith estimate, such projections of the assessed valuation, when actually made, may be less or greater than as estimated above and are not guaranteed. No projection has been made for a possible increase in the assessed valuation of the Land. Sponsor's Real Estate Tax Counsel has cautioned Sponsor that the assessment practices of the New York City Department of Finance have been inconsistent in assessing properties for new construction and that it is possible that there may be substantial deviation in the assessed value for the tax years analyzed by it. Prospective purchasers are, therefore, similarly cautioned by Sponsor to the possibility of such a deviation.

The real estate taxes for the first year of operation will be based on assessed values that will not reflect the entire increase in valuation of a building in the course of construction. Accordingly, the actual real estate taxes after the first year of operation and based upon the fully completed building in full operation may be significantly higher. The real estate taxes for future years will vary in accordance with the tax rate, the Property's assessed valuation and the phasing in of assessed valuation increases. It is noted that under state law, increases in a property's assessed value due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty percent (20%). Any further increases in the assessed value resulting from still higher market value is to be similarly phased in over an additional five year period from the date(s) of such increase(s). The full increased assessed valuation to be paid at the end of five (5) years is called the "actual assessed valuation." Based upon the assessed valuation estimated by Lawrence J. Berger, P.C., Purchasers should anticipate that real estate taxes will increase every year after the first year due to the "phase-in" of increases to reach the actual assessed valuation (assuming that the assessed value is not reduced). In fact, Sponsor's Real Estate Tax Counsel has estimated that after the first year of condominium operation, real estate taxes may be in excess of approximately $1,006,928/year (aggregate of all Residential Units) based upon an estimated assessed valuation of $7,306,640 and a projected tax rate per $100 of assessed valuation of $13.781.

Until the Residential Units are separately assessed, the entire assessment attributable to the Residential Units will be paid by all Unit Owners in proportion to their relative Residential Common Interests.

On or after the filing and recording of the Declaration and a deed for a Residential Unit, a separate tax lot is to be or will have been created for each Residential Unit in the Condominium. After creation of the separate tax lot for a Residential Unit, the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Residential Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property to a tax lot representing a Residential Unit on the basis of the percentage of Residential Common Interest appurtenant to the Residential Unit relative to the other Residential Units. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed

valuation of a Residential Unit or the Property as described above on or after such apportionment or for any reason. Such an increase will increase a Residential Unit Owner's real estate taxes above the amounts estimated on Schedule A. Based upon past practices in New York City, it is reasonable to anticipate that there will be an increase in the tax rate in future years.

The foregoing analysis is based upon the experience of Lawrence J. Berger, P.C. with the Real Property Division of the New York City Department of Finance and the Tax Commission of the City of New York, and their assessment policies regarding newly renovated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. In such event, it might be desirable to commence real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Once a separate tax lot is established for a Residential Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Residential Unit is officially made, a Residential Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit [unless such real estate taxes are included in Common Charges because, for example such real estate taxes are assessed against a Unit which is owned as part of the Common Elements (i.e., a Unit acquired by the Condominium Board pursuant to its right of first refusal)] nor will his Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit (except to the extent provided above in this sentence). However, until separate tax bills are available for each Residential Unit, real estate taxes will be paid by the Residential Board of the Condominium as a Residential Common Expense. Until the Units are separately assessed, the taxes payable by all Residential Units will be apportioned among said Residential Units in the proportion that the Residential Common Interest of each Residential Unit bears to the aggregate Residential Common Interests of all Residential Units and such proportionate share of the real estate taxes will be assessed against each Residential Unit as part of the Residential Common Charges. It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time. Purchasers and their counsel are urged to see the section of the Plan entitled "**Real Estate Taxes**" in Part I and "**Real Estate Tax Counsel's Opinion Letter**" in Part II of the Plan.

Subject to certain exceptions and limitations that are more particularly discussed in a letter ("**Sponsor's Income Tax Counsel's Opinion Letter**") dated May 20, 2019 from Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, New York 10019 ("**Sponsor's Income Tax Counsel**"), it is the opinion of Sponsor's Income Tax Counsel that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions will, under current U.S. federal, New York State and New York City income tax Law, be entitled to a deduction for mortgage interest and state and local real property taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers. Purchasers should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return). Interest on mortgage indebtedness that does not satisfy these requirements, such as home equity indebtedness, or is in excess of these limitations, is not deductible. Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war

profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return). See the section of the Plan entitled "**Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium**" and "**Sponsor's Income Tax Counsel's Opinion Letter**" which follows it for a more detailed explanation. Such Residential Unit Owner's income tax deduction may vary in future years due to changes in the interest rate on such Residential Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments between interest and principal.

Footnote 10: This column estimates the total monthly carrying charges for Residential Units (Residential Common Charges plus real estate taxes) payable by each Residential Unit Owner.

SCHEDULE A-1
STORAGE BINS
PURCHASE PRICE AND RELATED INFORMATION

Storage Bin #	Square Footage	License Payment	Monthly License Fee
1	16	$ 17,500	$ 32.00
2	16	$ 17,500	$ 32.00
3	16	$ 17,500	$ 32.00
4	33	$ 25,000	$ 66.00
5	15	$ 17,500	$ 30.00
6	30	$ 25,000	$ 60.00
7	18	$ 20,000	$ 40.00
8	20	$ 20,000	$ 40.00
9	20	$ 20,000	$ 40.00
10	20	$ 20,000	$ 40.00
TOTAL	**204**	**$200,000**	**$412.00**

SEE THE SECTION OF THE PLAN ENTITLED "**STORAGE BIN LICENSE AGREEMENTS**" FOR A DETAILED DISCUSSION OF THE RIGHTS AND OBLIGATIONS OF PURCHASERS WHO ENTER INTO A STORAGE BIN LICENSE AGREEMENT.

SCHEDULE B
PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
JULY 1, 2020 - JUNE 30, 2021

PROJECTED REVENUE			
Annual Common Charges-Residential Section	$309,961		
Annual Common Charges-Retail Unit	$ 15,892		
Annual Storage Bin Income-Residential Section	$ 4,944		
TOTAL PROJECTED REVENUE (Note 1)	**$330,797**		
PROJECTED EXPENSES	Total	Residential Section	Retail Unit
Labor and Benefits (Note 2)	$ 80,000	$ 80,000	$ 0
Electricity (Note 3)	$ 33,763	$ 33,763	$ 0
Water & Sewer (Note 4)	$ 25,431	$ 25,431	$ 0
Gas (Note 5)	$ 27,253	$ 27,253	$ 0
Service Contracts (Note 6)	$ 29,950	$ 29,950	$ 0
Repairs & Maintenance (Note 7)	$ 22,750	$ 22,750	$ 0
Insurance (Note 8)	$ 39,650	$ 29,088	$10,562
Management (Note 9)	$ 20,000	$ 18,000	$ 2,000
Audit & Legal (Note 10)	$ 10,500	$ 7,703	$ 2,797
Miscellaneous/Admin (Note 11)	$ 9,500	$ 9,500	$ 0
Income Tax (Note 12)	$ 2,000	$ 1,467	$ 533
Contingency/Reserve (Note 13)	$ 30,000	$ 30,000	$ 0
TOTAL PROJECTED COMMON EXPENSES	**$330,797**	$314,905	$15,892

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

THE PROJECTIONS IN THE FIRST YEAR'S BUDGET ARE BASED ON THE ASSUMPTION THAT THE FIRST YEAR OF CONDOMINIUM OPERATION WILL BE THE 12 MONTH PERIOD JULY 1, 2020-JUNE 30, 2021. THE ACTUAL FIRST YEAR OF CONDOMINIUM OPERATION MAY BE EARLIER OR LATER THAN THAT 12 MONTH PERIOD, THEREFORE THE COSTS MAY VARY. IF THE DATE SCHEDULED FOR THE FIRST UNIT CLOSING, WHICH MARKS COMMENCEMENT OF THE FIRST YEAR OF CONDOMINIUM OPERATION, IS DELAYED BY SIX (6) MONTHS OR MORE FROM THE PROJECTED COMMENCEMENT DATE OF THE FIRST YEAR OF CONDOMINIUM OPERATION SET FORTH IN THE PLAN, THE PLAN WILL BE AMENDED TO INCLUDE AN UPDATED PROJECTED FIRST YEAR'S BUDGET WITH REVISED PROJECTIONS, IF REVISED PROJECTIONS ARE NECESSARY (THE "REVISED BUDGET AMENDMENT"). IF THE COMMON CHARGES IN THE REVISED BUDGET PROJECTIONS EXCEED THE COMMON CHARGES SET FORTH HEREIN FOR THE FIRST YEAR'S BUDGET BY 25% OR MORE, SPONSOR WILL OFFER ALL PURCHASERS WHO ENTERED INTO PURCHASE AGREEMENTS PRIOR TO THE DATE THE REVISED BUDGET AMENDMENT IS ACCEPTED FOR FILING, THE RIGHT, FOR A PERIOD OF AT LEAST FIFTEEN (15) DAYS AFTER THE PRESENTATION DATE OF THE REVISED BUDGET AMENDMENT, TO RESCIND THEIR PURCHASE AGREEMENTS AND HAVE THEIR DEPOSIT RETURNED.

FOOTNOTES TO SCHEDULE B

Projected Revenue – Residential & Retail

(1) These amounts are the total annual Common Charges anticipated to be collected from Residential Unit Owners & Retail during the projected First Year of Condominium Operation. Residential Common Charges will be used by the Residential Board to pay Common Expenses of the Condominium. Retail common charges are noted specifically where that unit assumes a portion of the expense. The Retail Unit will be obligated to pay their respective allocable share of those expenses as stated in the by-laws

Projected Expenses

Purchasers are advised that all budget projections are estimates and approximations. Projections were made by Sponsor in consultation with Century Management Services, Inc. ("Sponsor's Budget Expert"). Although the projections are believed to be reasonable, they are not assured or guaranteed. Certain budgeted items are allocated between the Residential Section and the Retail Unit on a special basis which reflects actual benefit and/or use associated with that particular item or expense or exclusive control of particular Common Elements. The allocated Common Charges payable by the Retail Unit Owner are sufficient to cover the expenses fairly attributable to the Retail Unit. Section 5.1.2 of the Condominium By-Laws authorizes such a special allocation. The special allocation is to be determined in accordance with Schedule H attached to the Condominium By-Laws. Any amendment to the manner of determining the special allocations set forth in the Condominium By-Laws requires a Special Board Majority which is defined to include the member of the Condominium Board elected or designated by the Retail Unit Owner. The financial impact on the Residential Units of the manner of special allocation of items of the Budget in Schedule B is such that the Residential Section and the Retail Unit will pay the Common Expenses fairly attributable to them. (See "**Special Risks**.") Under this Plan, the Non-Residential Unit Owner will be responsible, according to its percentage of Common Interest, for the following budget items: insurance, audit and legal, and income tax. The Non-Residential Unit Owner shall also pay 10% of the item budgeted for management fees since the Managing Agent will provide minimal services to the non-Residential Unit. No labor will be provided to the Non-Residential Unit by the building staff. Electricity, gas and water/sewer charges will be separately metered for to the Non-Residential Unit. The Service Contracts described in the Budget do not service the Non-Residential Unit. Repairs and Maintenance described in this Budget relate only to the Residential Section. No administrative services will be provided to the Non-Residential Unit. The item in the Budget for Contingency relates only to the Residential Section and is intended to comply with the lending guidelines of lenders to residential condominium units.

(2) Salary, Wages and Payroll - $80,000

This cost reflects salary and benefits of full-time non-resident superintendent working 40 hours a week, Monday through Friday. Shift times for employee is to be determined by the Residential Board. The superintendent would be responsible for various repairs and maintenance of the Residential Common Elements. The above figure is based on probable hourly wages at the time the building is operating. A staffing agency will be hired to manage and handle all payroll, including payroll taxes and worker's compensation. The hourly rate projected to be paid to the staffing agency for the part-time superintendent is $26.25/hour. The staffing agency will be responsible for payroll taxes and other employee related benefits. A contract for the staffing agency will be entered into by the Residential Board. This staffing agency hired will comply with City of New York Administrative Code 27-2052. Sponsor

will comply with Law, including Administrative Code of the City of New York, §27-2052, et. seq., by ensuring that sufficient janitorial services are provided in compliance with such code and ensuring that the person providing such janitorial services resides within a distance of one (1) block or 200 feet from the Condominium, whichever is greater. Alternatively, janitorial services may be provided on a twenty-four (24) hour basis in a manner approved by the NYC Department of Housing Preservation and Development.

The projected level of staffing for the Residential Section complies with all applicable housing and labor laws. It is anticipated that the building staff will be non-union and wages meet state minimum wage laws. The projected expenses for wages, salaries and payroll as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's Budget Expert, in managing comparable buildings.

(3) Electricity - $33,763

This charge is the projected electrical consumption for the first year of condo operation and is based on the estimate made in a memorandum dated June 17, 2019 from A&D Engineering, PLLC with an address of 2606 East 15th Street, Suite #304, Brooklyn, NY 11234 known as a ("Consumption Letter") states: *"The estimated Electric cost, as of July 1, 2020 projected first year of condominium operation, using current rate as of March 2019, plus an inflation factor estimated at 10%, results in an estimated cost of $0.2156/kWH. This is an estimated rate which includes service charge, taxes and estimated increase.*
This is based on Residential Section common area loads being supplied through a single house meter and the rates are based on the currently effective rates. This estimate includes costs for Residential Section common area lighting, air conditioning, heating, distribution pumps, miscellaneous floor loads and elevators. Electricity costs can vary depending upon consumption and demand factors. Each Unit will be individually metered or sub metered for consumption of electricity within their own Units which is stated in schedule B-1

(4) Water Charges and Sewer Rent - $25,431

This amount is based on an estimate set forth in the Consumption Letter. There will be one water meter servicing the Residential Section. Water and Sewer charges for the Residential Units are based upon a combined cost of $10.10 per hundred cubic feet of water and sewer. The retail unit will be billed on a separate meter.

(5) Natural Gas - $27,253

This amount is based on an estimate set forth in the Consumption Letter. There will be a hot water boiler that produces domestic hot water and heat for the Residential Units in the Residential Section. *"The estimated first year Gas cost for the July 1, 2020 projected first year of operation, using current rate as of November 2018, plus an inflation factor estimated at 10%, results in as estimated rate of $1.5542/therm, for the projected first year of condominium operation. This is an estimated rate which includes service charge, taxes and estimated increase."* The Non-Residential Unit is separately metered for gas and will not be supplied with gas and, consequently, the Non-Residential Unit Owner is not responsible for an portion of this budget item.

(6) Service Contracts - $29,950

This estimate includes the cost of various services used for the Residential Common Elements during the First Year of Condominium Operation. All of the mechanical systems within the Residential Section will be new, and some will be under a full-service maintenance contract for the First Year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's Budget Expert in operating similar buildings and will be allocated to all Residential Units within the Residential Section based upon each Unit's Residential Percentage of Common Interest. No warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Residential Board will enter into maintenance agreements for the following services:

Elevator	$7,500.00
Exterminating	$2,100.00
Fire Extinguishers	$600.00
Landscaping	$2,000.00
Fire Alarm (Protection)	$2,400.00
Sprinkler	$1,850.00
Water Treatment	$1,500.00
HVAC	$1,500.00
Domestic Hot Water Boiler/Steam Boiler Maintenance and Service Contract	$2,500.00
Telephone/Cable/Internet	$2,000.00
Carson	$6,000.00

The majority of these estimates are based on the Sponsor's Budget Expert's opinion based on experience and comparable properties. Century Management has consulted with the following professionals:

Sierra Consulting
36 Maple Place, Suite 206, Manhasset, NY 11030
Phone: 516-869-0729
Elevator Maintenance

Assured Environments
45 Broadway, 10th Floor, New York, NY 10006
Phone: 800-670-7037
Exterminating

Plant Fantasies Inc.,
244 West 30th Street, New York, NY 10001
Phone: 212-268-2886

Landscaping

Isseks Brothers
298 Broome St, New York, NY 10002
Phone: (212) 267-2688
Domestic Water Tank Cleaning

IRL Systems
Address: 1650 Bath Ave, Brooklyn, NY 11214
Phone: (718) 491-0642
Fire Alarm Protection

Capitol Fire Sprinkler
Address: 5151 59th Pl, Woodside, NY 11377
Phone: (718) 533-6800
Sprinkler

Controlled Combustion
Address: 2377 Washington Ave, Bronx, NY 10458
Phone: (718) 367-9800
Domestic Boiler Maintenance & HVAC

BuildingLink.com, LLC
85 Fifth Avenue, Floor 3
New York, NY 10003
Carson

(7) Repairs and Maintenance - $25,250

Supplies	$5,000.00
Plumbing	$5,000.00
Electrical	$4,000.00
Elevators	$2,500.00
Windows/Locks/Doors	$1,000.00
Misc. Repairs	$5,000.00
Plastering and Painting	$1,500.00
Back Flow Prevention Testing	$1,250.00

The budgeted amount for repair, maintenance and supplies is based on the normal maintenance and repairs of Residential Common Elements of the Building, the painting of public halls and Residential Common Elements, and the purchase of normal items, including, but not limited to, cleaning supplies and materials, lubricants, bulbs, public area fixtures, general hardware supplies and rubbish compactor bags, the cost of which is included in the Residential Common Charges for the Building, and shall be payable by all Residential Unit Owners, pro-rata, in accordance with their percentage of the Residential Common Interest. The budgeted amount does not include repair, painting, maintenance or supplies for individual Units, which are the responsibility of the individual Residential Unit Owners. The amount budgeted is

calculated based on the Sponsor's Budget Expert's previous management experience in managing newly constructed Buildings of comparable size, quality and amenities.

The Residential Section shall pay 14.96% of the costs to maintain, repair and replace the facade of the Retail Unit. The reason that the Residential Section is responsible for this cost is that a portion of the Residential Section is located above the Retail Unit and shares a portion of the exterior wall. When Sponsor acquired its interest in the Property, it agreed with the other party involved in the acquisition that this would be a fair manner in which to share in the cost of maintenance and repair of this section of the exterior façade. The projected annual cost for this expense is included in the $5,000 Miscellaneous Repairs portion of this budget line item.

No amount is included in this budget for items covered by construction warranties or for the cost of any major capital expenditure in the Residential Section. If such expenditure is required, each Residential Unit Owner will be obligated to pay his pro-rata share of such expenditure. It is expected that if minor operating equipment is required to be purchased, the funds for the acquisition will be provided from the Working Capital Fund.

(8) Insurance – $39,650

The projection for the cost of insurance premiums is based on a Letter, dated October 23, 2019 from Peace of Mind Insurance Brokerage LLC. With an address of 2 Skillman Street, Suite 308, Brooklyn, NY 11205. The recommended fire, casualty and general liability coverages are as follows:

Building: $20,000,000 All Risk, 100% Replacement Cost, No co-insurance
(Approximately $280 per square foot)
Business Personal Property: $100,000
Business Income: Actual Loss Sustained up to 12 Months
Ordinance or Law: $5,000,000
Deductible: $2,500
Flood: $5,000,000 *Deductible $25,000
Earthquake: $5,000,000 *Deductible $25,000
Terrorism: Included
Liability: $1,000,000 Per Occurrence,
$2,000,000 General Aggregate
$1,000,000 Personal & Advertising Injury
$50,000 Fire Damage Legal Liability
$5,000 Medical Expense
$1,000,000 Hired/Non Owned Auto
Umbrella Liability: $25,000,000 Occurrence/Aggregate
Directors & Officers Coverage: $2,000,000
Crime Insurance: $500,000 Employee Dishonesty Limit /
$500,000 Managing Agent Rider

The proposed property insurance is for coverage on an all risk replacement cost basis. The fire, casualty and general liability insurance carried by the Condominium is anticipated to provide (i) that each Unit Owner is an additional insured party; (ii) that there will be no cancellation without notice to the

Condominium Board; and (iii) for a waiver of subrogation; a waiver of invalidity because of acts of the insured and Unit Owners; and (iv) a waiver of pro rata reduction if Unit Owners obtain additional coverage.

If commercially available at reasonable rates or, to the extent required by the Construction Lender, full Terrorism coverage will be maintained by the Condominium Board on the Condominium's liability and property insurance coverages. Since such coverage is required by the Construction Lender, it is included in the policy for the first year of operation. In addition, the Construction Lender shall be include as loss payee on the property insurance for the life of the loan.

The Condominium Board shall maintain the maximum amount of coverage available from the National Flood Insurance Program in the event that the Condominium is identified by the Federal Insurance Administration, HUD or FEMA as being located in a high hazard flood area, or as otherwise required by the Construction Lender. As of the date of the Plan, the Condominium has not been so identified nor has the Construction Lender required that the Sponsor or the Condominium carry flood insurance.

The Condominium's coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units or any Common Elements exclusive to such Units.

Each individual Unit Owner must obtain additional insurance at such Unit Owner's own cost for the following coverage, which is not included in the above coverage: (i) fire or casualty losses to the contents of the Unit and any replacements, additions, upgraded fixtures and improvements therein; and (ii) liability for personal injury or property damage as a result of occurrences in the Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the First Year of Condominium Operation. Purchasers should be aware of the possibility of rate increases. The carrier will be selected at the time the coverage is bound. This will occur prior to the First Unit Closing. Sponsor will procure, on behalf of the Board, on or before the date of the First Unit Closing, the general liability insurance that is required to be carried by the Condominium.

In the opinion of Peace of Mind Insurance Brokerage LLC in a letter dated October 23, 2019, the hazard insurance is adequate to replace the building in the event of total loss and to avoid being a co-insurer in the event of partial loss. All insurance coverage will meet the requirements of any mortgage lender procured by Sponsor including the Construction Lender.

The Retail Unit will be responsible for its full percentage of common interest as it relates to this expense.

(9) Management Fee - $20,000

The Property will be managed by Century Management Services, Inc., pursuant to a management contract, for an initial term of one year, commencing on the date of the First Closing at an annual base compensation of $20,000 payable in equal monthly installments, the cost of which is included in the Residential Common Charges for the Building, and shall be payable by all Residential Unit Owners, pro-rata, in accordance with their percentage of the Residential Common Interest. See section entitled "Management Agreement" for a more detailed description of the terms of the management contract. The Managing Agent is unaffiliated with Sponsor and has considerable experience in the management of residential properties in the City of New York. Additionally, the aforementioned management fee is

consistent with the prevailing rate for comparable buildings in the City of New York. The Managing Agent will charge individual Residential Unit Owner for services required in processing each application for the sale or lease of a Unit. The Retail Unit will be responsible for 10% of this expense.

Management of the Building will include, but not be limited to, the following: the hiring of a superintendent to perform certain necessary janitorial and maintenance functions for the Residential Common Elements; complying with local Building codes and regulations; the paying or causing to be paid all bills for maintaining and operating the Residential; the review of proposed sales and/or leasing packages, including references from all prospective Purchasers; the billing for maintenance and other charges; the setting up and keeping in good order a separate accurate set of books for the Condominium; the hiring of accountants for preparation of federal, state and other income tax returns required by governmental authorities; and, generally, the managing of the Property.

(10) Legal and Audit Fees - $10,500

Wilkin and Guttenplan, PC with an address of 1200 Tices Ln, East Brunswick, NJ 08816 provided a proposal for a yearly audit on 2/9/2019 for $9,000.00 for auditing and accounting fees in connection with the preparation of the audited financial statements of the Condominium for the First Year of Condominium Operation and Federal, state and city income tax returns. The retail unit will be responsible for 26.636% of this annual audit expense. The balance of the budgeted amount ($1,500.00) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building such as attendance at Board meetings and negotiation of minor agreements. The retail unit will be responsible for 26.636% of this annual legal expense. These professional fees are for the entire Condominium and have been allocated to all units within the Condominium based upon each Unit's Percentage of Common Interest.

(11) Administration and Miscellaneous - $9,500

The budgeted amount includes anticipated expenses for telephone lines, photocopying, faxing, and postage and messenger services as required. It also includes the estimated cost of miscellaneous administrative and other costs including, but not limited to, bank fees, inspection fees, license fees, taxes, permits, printing costs, fines and fees. These costs for administrative fees have been allocated to the Residential Units within the Condominium based upon each Residential Unit's respective Percentage of Residential Common Interest.

(12) Income Tax - $2,000

This figure represents the estimated annual cost of federal, state and city income taxes as 807 Manhattan Avenue Condominium will not meet the 85/15% test under Internal Revenue Code Section 528 and, therefore, will not qualify as a homeowner's association under that section. As a result, net income (excess assessments over and above the amounts used for the operation of the Property) may be subject to federal, state and city tax. However, the Condominium may make an election under Internal Revenue Service Revenue Ruling 70-604, which allows it to rollover excess assessments into the subsequent year to be applied against that year's expenses and, thus, not be taxed on such excess.

The retail unit will be responsible for 26.636% of this annual expense.

(13) Contingency /Reserve –$30,000

This fund may be used at the discretion of the Board toward unforeseen expenses or other appropriate Residential Section expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in projected expenses. Per lending guidelines, the contingency is equal to 10% of the total yearly expenses. These funds should be able to cover major capital repairs or replacements items likely to be needed in the first 5 years of condo operation. No representation is made as to the actual or anticipated cost, or timing or nature of any such capital work or the adequacy of any such reserve.

IN THE OPINION OF CENTURY MANAGEMENT SERVICES, INC. HAVING AN OFFICE AT 440 NINTH AVENUE, SUITE 1500, NEW YORK, NEW YORK 10001, THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF CONDOMINIUM OPERATION WILL BE PRECISELY AS SET FORTH IN BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B-1

1080 LORIMER STREET, BROOKLYN, NY
PROJECTED ELECTRIC CONSUMPTION COSTS
FOR INDIVIDUAL RESIDENTIAL UNITS
COMMENCING JULY 1, 2020
(Individually Metered)

A & D Engineering, PLLC in a letter dated June 17, 2019, provided estimates for consumption and use of electricity by individual Unit Owners. The cost of gas for cooking and for providing domestic hot water is included in the Common Expenses, as is the cost of water and sewer charges. The common uses of electricity, such as for the elevator, lighting in hallways, and other common areas, pumps and fans are also included in the Common Expenses.

A & D Engineering, PLLC estimated the annual cost of electricity use by individual Unit Owners. The estimated cost of electricity is based on the average charge of Con Edison of kilowatt per hour rate of approximately $0.23 per KWH.

In view of the fact that these averages may include the use of energy by persons of varying need, occupying Units of varying design, with different standard of comfort, or with families of different sizes, the amount of energy used by the Purchasers may vary substantially from the average estimates herein provided. In addition, the effect of inflation, shortages and other factors may raise the costs of utilities substantially higher than the current rate. ACCORDIGNLY, NO WARRANTY OF ANY KIND IS BEING MADE BY THE SPONSOR OR ANY OTHER PERSON AS TO WHAT SEPARATELY METERED ELECTRICITY COSTS MAY BE.

Although the Sponsor is obligated to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of electricity after the purchase of a Unit or in subsequent years. The estimates include lighting and appliances, as well as heating and air conditioning. The actual cost of operating the appliances and equipment will depend on the size and make of any units installed by Purchasers.

ESTIMATED RESIDENTIAL UNIT ELECTRIC COSTS

Each Residential Unit will be metered separately for electric usage by utility provided electrical meters. The estimated first year cost for electric consumption for each Residential Unit is set forth on the page that follows:

UNIT	ANNUAL ESTIMATED COST	MONTHLY ESTIMATED COST
1A	$3,366.00	$280.48
1B	$3,844.00	$320.35
1C	$4,397.00	$366.43
1D	$3,008.00	$250.67
1E	$2,226.00	$185.47
1F	$5,891.00	$490.88
1G	$3,186.00	$265.52
2A	$3,043.00	$253.61
2B	$1,931.00	$160.91
2C	$2,994.00	$249.51
2D	$3,039.00	$253.29
2E	$3,228.00	$268.97
2F	$2,924.00	$243.67
2G	$3,186.00	$265.52
2H	$3,274.00	$272.85
2J	$3,033.00	$252.71
3A	$3,043.00	$253.61
3B	$1,931.00	$160.91
3C	$2,994.00	$249.51
3D	$2,948.00	$245.63
3E	$3,290.00	$274.18
3F	$2,924.00	$243.67
3G	$3,186.00	$265.52
3H	$3,274.00	$272.85
3J	$3,033.00	$252.71
4A	$3,325.00	$277.08
4B	$3,424.00	$285.35
4C	$2,015.00	$167.90
4D	$3,284.00	$273.65

CENTURY

June 7, 2019

New York State Department of Law
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, New York 10005

Re: 807 Manhattan Avenue and
1080 Lorimer Street
Brooklyn, New York 11222 ("Property")

Dear Sir:

807 Manhattan Avenue LLC ("Owner"), owner of the captioned Property retained Century Management Services, Inc. ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in the Offering Plan to convert the Property to condominium ownership and as will be set forth in the condominium declaration.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 45 years and have been actively associated with sale and management of condominium and cooperative buildings.

It is our opinion that the allocation of the percentages of common interest allocated to the respective units described in Schedule A to the Offering Plan is in compliance with Real Property Law Article 9-B, Section 339-i(1). The Owner has advised the Firm that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i (1) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv) of Real Property Law Section 339-i (1). In the Firm's opinion, within the framework of Real Property Law Section 339-i(1), this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by Owner and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter. The Firm understands that a copy of this letter is intended to be incorporated into the offering plan.

Very truly yours,
CENTURY MANAGEMENT SERVICES, INC.

By: _____
Name: Jacob Sirotkin
Title: Vice President

440 Ninth Avenue 15th Floor New York, NY 10001 T 212.560.6400 F 212.560.6420 www.centuryny.com

ABRAMS FENSTERMAN

Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP

1 Metro Tech Center, Suite 1701
Brooklyn, New York 11201
Telephone: (718) 215-5300
Fax: (718) 215-5304
www.abramslaw.com

June 14, 2019

New York State Department of Law
28 liberty Street, 12th Floor
New York, New York 10005
Attention: Real Estate Finance Bureau

Re: Condominium Offering Plan (the "Plan") for the Residential Section of the 807 Manhattan Avenue Condominium 1080 Lorimer Street & 807 Manhattan Avenue Brooklyn, New York 11222 (the "Property")

Gentlemen and Ladies:

The Sponsor of the condominium offering plan for the captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the offering plan. Our experience includes the preparation of condominium offering plans and representation of condominium associations over the past 40 years.

In reviewing said Schedule A and the footnotes that follow it, the percentage interest for each Unit as contained therein has been determined based upon floor space, subject to the location of such space and the additional factors or 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 Unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i(1)(iv) of the Real Property Law of the State of New York. This opinion is based upon factual determinations made in the opinion of Century Management Services, Inc. reproduced in the Plan upon which we have relied. We have not reviewed or verified the calculations of floor areas used in determining the sizes of Units or the Limited Common Elements.

This firm will not be liable to any party in the event that critical facts presented by Sponsor and Sponsor's expert, Century Management Services, Inc., were or prove to be incorrect or if there are changes in applicable law and regulations or decisional law. We have no beneficial interest in the Sponsor or in the profitability of the conversion. We consent to the incorporation of this opinion in the Plan and to the reference to our name in the Plan in connection with this opinion.

Very truly yours,
ABRAMS, FENSTERMAN, FENSTERMAN, EISMAN,
FORMATO, FERRARA, WOLF & CARONE, LLP

By: _____
Lawrence F. DiGiovanna
For the Firm

STORAGE BIN LICENSE AGREEMENTS

Sponsor hereby offers Purchasers of Residential Units the opportunity to purchase a license to use a Storage Bin pursuant to a Storage Bin Sub-License Agreement. The price for each Storage Bin License and size of each Storage Bin is listed on Schedule A-1. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. Purchasers desiring to purchase a license to use a Storage Bin are required to so indicate in the Purchase Agreement set forth in Part II of the Plan and at Closing will execute the Storage Bin Sub-License Agreement also set forth in Part II at Exhibit G.

Sponsor reserves the right to offer as many Storage Bin Sub-Licenses as it determines and to withhold one or more for future sale. There will be ten (10) Storage Bins, of the sizes indicted in Schedule A-1. Consequently, the licenses will be offered on a first come basis at the Sponsor's discretion. In addition, Sponsor has the right to limit the number of Storage Bin Sub-Licenses sold to any single Purchaser of a Residential Unit, to make bulk sales, or to withdraw the offer of Storage Bin Licenses, as it deems fit. Storage Bins may only be used for the uses set forth in this Plan and, except for the Sponsor, cannot be licensed independently of the ownership of a Residential Unit. The Storage Bin Sub-License shall not be construed under any circumstances to be a sale of the Storage Bin or the conveyance of fee title thereto.

The Sponsor will enter into a Storage Bin Master License Agreement with the Residential Board which shall be revocable by the Residential Board according to its terms and will issue Sub-License Agreements to Purchasers who wish to acquire a Storage Bin upon payment of the Storage Bin License Payment. Purchasers who enter into a Sub-License shall pay the Monthly License Fee set forth in Schedule A-1. Until a Purchaser enters into a Sub-License Agreement, Sponsor shall remain responsible for the Monthly License Fee. The Sponsor shall have the right to assign each Sub-License Agreement to the Residential Board at any time in which event Sponsor shall be relieved of the obligation for the payment of the Monthly License Fee. See "**Special Risks**" with respect to an increase in common charges to the extent of the monthly License Fee of any Storage Bin so assigned by Sponsor. Purchasers desiring to purchase a license to use a Storage Bin are required to execute the Storage Bin Sub-License Agreement. Copies of the Master Storage Bin License Agreement and the Storage Bin Sub-License Agreement are reproduced in Part II of the Plan at Exhibit G.

Term of the Agreement

The term of the Storage Bin Sub-License will commence no earlier than the date upon which Purchaser closes title to a Residential Unit. The term of the Storage Bin Sub-License will continue unless it is terminated upon the earlier of (i) the termination of the Storage Bin Sub-License by the Residential Board pursuant to the terms of the Storage Bin Sub-License or By-laws, as provided in the Storage Bin Sub-License Agreement; (ii) the date on which the Licensee no longer is a Residential Unit Owner and has not transferred the Storage Bin Sub-License to another Residential Unit Owner pursuant to its terms; or (iii) the date on which the Licensee voluntarily terminates the Storage Bin Sub-License.

At such time as any Residential Unit Owner purchases or enters into a Storage Bin Sub-License Agreement, such Storage Bin will exist for the use and enjoyment of the purchasing Residential Unit Owner to the exclusion of all other Unit Owners.

Description of Storage Bins

There will be ten (10) Storage Bins located in the Cellar of the Residential Section in one (1) residential storage room. The Storage Bins will be constructed of chain link fence material with a door. The Sponsor will not be responsible for providing locks or other devices to secure their Storage Bins; licensees must provide the Residential Board of Managers or any Managing Agent with a key to the Storage Bin.

Maintenance and Repair Obligations

The Residential Unit Owner holding the license will be responsible for all normal maintenance to the Storage Bin; however, the costs and expenses of any structural or extraordinary repairs or replacements to the Residential Storage Rooms shall be a Common Expense charged to all Residential Unit Owners.

The Residential Board has the authority to promulgate rules and regulations regarding the use of, and access, to the Storage Bins.

Limitations on Assignment of License; Termination

A Residential Unit Owner may transfer or assign its Storage Bin License only to another Residential Unit Owner. Upon the conveyance of a Storage License, the Residential Board of Managers will enter into a new Storage Bin License with the transferee of such Unit, in such form then required by the Residential Board.

A Residential Unit Owner may lease a Storage Bin, but only to a tenant of his or her Residential Unit, another Residential Unit Owner, the Residential Board of Managers or the Sponsor and only under such terms as may be required by the Residential Board. In no event may a Unit Owner retain use or rights to a Storage Bin after conveyance or transfer of such Residential Unit Owner's Residential Unit.

In the event a Residential Unit Owner elects to terminate a Storage Bin License and does not transfer same to another Residential Unit Owner, the rights to the Storage Bin in question will devolve to the Residential Board which shall have the right to issue a new Storage Bin License to another Residential Unit Owner in its sole discretion.

The foregoing limitations do not apply to Sponsor or an Owner of Unsold Residential Units.

NON-RESIDENTIAL UNIT

As more particularly described in the Declaration and in Sponsor's Architect's Description of Property and Specifications, each of which are contained in Part II of the Plan, the Condominium contains one (1) Non-Residential Unit, designated in the Original Declaration as Unit C1 and in the Declaration as the "Retail Unit" or "RET". The Non-Residential Unit consists of approximately 21,280 square feet and is located on portions of the basement and floor 1, mezzanine, floor 2, floor 3, the roof and a bulkhead of the Building. The Non-Residential Unit is owned by JTRE 241 Fifth LLC and JTRE Manhattan Avenue, LLC, as Tenants in Common, entities with no affiliation with Sponsor. The Non-Residential Unit is not offered for sale pursuant to the Plan. It is currently subject to a lease with Capital One Bank for use as a retail banking facility. All or any part of the Non-Residential Unit may be leased or subleased by the Non-Residential Unit Owner subject to compliance with Law.

Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental or use of any space in the Non-Residential Unit.

No representation is made with respect to the ownership of all or any portion of the Non-Residential Unit or as to who the future owners or tenants of any portion of the Non-Residential Unit at any time may be or as to the uses to which any portion of the Non-Residential Unit may be put at any time except that the Non-Residential Unit may be used for any purpose permitted by Law except for Prohibited Uses, which uses may result in increased noise and traffic. The Non-Residential Unit may not be used for Prohibited Uses, defined in the Declaration as follows: (1) an establishment which displays, sells, rents or offers for sale or rent any pornographic material; adult bookstore or facility selling or displaying pornographic books, literature, or videos (materials shall be considered "adult" or "pornographic" for such purpose if the same are not available for the sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality) excluding any establishment for which the sale or rent of such products constitutes a de minimis space in such establishment (however, by way of illustration and not limitation, the sale of clothing, lingerie, high-end or similar items for stores meeting the Operating Standard such as Victoria's Secret, Abercrombie & Fitch and Aeropostale shall not violate this subsection), (2) any so-called head shop or other similar establishment which stocks, displays, sells, rents or offers for sale or rent any drug-related paraphernalia or merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug or other controlled substance, including, without limitation, any hashish pipe, water pipe, bong, cilium, pipe screens, rolling papers, rolling devices, coke spoons or roach clips, but pharmacy and/or drugstore chains such as Duane Reade, CVS, Walgreens, Rite Aid and other pharmacy chains with a widely known national and/or regional presence are not prohibited, (3) selling, leasing or displaying of new or used automobiles, trucks, trailers, or recreational vehicles, (4) automotive parts, lube and oil or repair shop, (5) bingo or similar games of chance, (6) check cashing store (except as is typical in connection with the operation of a bank or financial services institution), (7) church, mosque, temple or other place of religious worship or meeting hall, (8) dumping, disposing, incinerating or reducing of garbage (exclusive of dumpsters for temporary storage of garbage and any garbage compactors, in each case which are routinely emptied so as to minimize offensive odors), (9) any establishment manufacturing, assembling, displaying or selling fireworks, ammunition or explosives, (10) funeral home or mortuary, (11) a so-called "flea market," (12) any so-called gentleman's club featuring topless waitresses, nude dancing or private "one-on-one" booths or rooms, (13) illicit non-therapeutic massage parlor, (14) off-track betting parlor or other gambling facility, (15) circus, carnival or amusement park, or other similar entertainment facility, (16) pawn shop, (17) shooting gallery, (18) substance abuse rehabilitation or detoxification recovery center,

or treatment center, welfare or mental health facility or similar agency, whether public or private, which provides services to clients on the premises of the Unit, (19) tattoo parlor, (20) an "Odd Job" or "Odd Lot" type discount store or as a so-called "99 cent store" or "dollar store" type discount store or as a "going out of business" type store (it being agreed Old Navy, DSW, Urban Outfitters, American Eagle, and similar type stores are not prohibited under this clause (20)), (21) as a so-called "bodega" type store, (22) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination, (23) as an arcade, (24) as a mall or mini-mall, (25) intentionally omitted, (26) intentionally omitted, (27) dry cleaning plant, central laundry or laundromat (but a drop-off dry cleaning store and/or an "organic" (non-chemical) process dry cleaner is permitted) (28) psychic, hypnotist, tarot card or palm reading business or similar establishment, (29) any business practicing satanic or cult ritualistic activities including so-called "devil worship," black magic or rites of passage involving self-mutilation or degradation, (30) use by an International Organization unless such International Organization waives its sovereign or diplomatic immunity in conformity with Article 30 of the Declaration, (31) use by employment agencies (except for executive placement firms, secretarial services placement firms, legal and other professional search firms) and other private employment agencies consistent with the Operating Standard, (32) any pre-school, kindergarten, elementary school or high school, (33) the operation of any legal services office or legal clinic, (34) intentionally omitted, (35) jewelry or similar exchange (e.g. a retail center with independent vendor booths), or (36) any operation which creates loud music or large or noisy events.

No assurance, representation, or warranty is given that any tenants, occupants or users of the Non-Residential Unit will not be objectionable to Residential Unit Owners or other parties. The uses of the Non-Residential Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control.

The Non-Residential Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the Schedule B allocations. In the opinion of Sponsor's budget expert, the allocated Common Charges payable by the Non-Residential Unit are sufficient to cover the expenses fairly attributable to the Non-Residential Unit.

The following is a summary of certain additional rights and obligations of the Non-Residential Unit Owner relating to the use and ownership of the Non-Residential Unit (see the Declaration and By-Laws for details):

(a) The Non-Residential Unit Owner shall have the right and easement for signage for the ATM located within the Non-Residential Unit.

(b) The Non-Residential Unit Owner has the right to enter into leases for all or any portion of the Retail Unit (as same may be modified, amended, supplemented or restated from time to time.) Neither the Board nor any Unit Owner will take, permit or suffer any actions with respect to any portion of the Property which the Landlord cannot, with respect to such portion of the Property, take under the terms of the Existing Lease, provided and so long as such Existing Lease is in effect. All rights which may be exercised by the Board with respect to the Units and the Condominium are subject to the rights of the tenants under the Existing Lease so long as the Existing Lease is in effect.

(c) The Non-Residential Unit Owners shall have the right, but not the obligation, at the Non-Residential Unit Owner's sole cost and expense to make structural or non-structural alterations to the Non-Residential Unit and its appurtenant Limited Common Elements without prior notice and without the vote or consent of the

Condominium Board, the Residential Board or any Residential Unit Owner, provided the alteration does not impair structural soundness, safety or integrity of the Building.

(d) The Non-Residential Unit Owner shall have the right to amend the Declaration without the consent of the Residential Board or the Residential Unit Owners if such amendment (i) only affects the Non-Residential Unit or its appurtenant Limited Common Elements or (ii) affects the Non-Residential Unit or its appurtenant Limited Common Elements and does not have a material and adverse effect on the Residential Unit Owners or the Residential Common Elements or Residential Limited Common Elements.

(e) The Non-Residential Unit Owner shall have an easement to access the Rooftop Mechanical Units by entering the "Egress Easement" located on the Cellar level of the Residential Section from the Cellar level of the Non-Residential Unit to either: (i) Stair B and up through Stair B to the Roof level of the Building; or (ii) the elevator located at the Cellar level of the Residential Section up to the Third Floor of the Residential Section and up Stair B to the Roof level of the Building (provided, however, that such easement for use of the elevator shall not include access to any other level of the Residential Section except for the Third Floor to access Stair B to the Roof), and both of such easements shall extend sufficiently on the Roof level to permit access by the Non-Residential Unit Owner to all Rooftop Mechanical Equipment as shown on the Roof Plan. The Non-Residential Unit Owner shall have such easement for the purpose of installing, removing, repairing, servicing maintaining and replacing the Rooftop Mechanical Equipment.

(f) In the event of an Emergency, the Non-Residential Unit Owner shall have a right of emergency egress through passageways, emergency stairways, side yards and exits contained within the Residential Section at the Basement Level.

(g) Sponsor's zoning consultant has estimated that Excess Development Rights comprising approximately 5,380 square feet of "floor area", as such term is defined in the Zoning Resolution, will remain upon completion of the Residential Section. Such Excess Development Rights will not be included in the Property and shall be the exclusive property of the Non-Residential Unit Owner and may be utilized, sold or otherwise transferred as permitted by Law, by the Non-Residential Unit Owner or a Development Rights Owner. Neither Sponsor, the Condominium Board, Residential Board nor any Unit Owner (other than the Non-Residential Unit Owner) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premises, the light and air of the Building and views from Residential Units and/or Terrace may be affected. There are no roof development rights available to any Residential Unit Owners.

(h) The Non-Residential Unit Owner shall have the right to designate one (1) member to the Condominium Board. Members of the Condominium Board designated by the Non-Residential Unit Owner may only be removed by the Non-Residential Unit Owner, who alone will have the right to elect or designate a replacement.

(i) The Declaration provides that the Residential Section shall pay 14.96% of the costs to maintain, repair and replace the facade of the Retail Unit. The reason that the Residential Section is responsible for this cost is that a portion of the Residential Section is located above the Retail Unit and shares a portion of the exterior wall. When Sponsor acquired its interest in the Property, it agreed with the other party involved in the acquisition that this would be a fair manner in which to share in the cost of maintenance and repair of this section of the exterior façade.

(j) Certain determinations by the Condominium Board require a "Special Board Majority" as described in the Section of the Plan entitled, "**Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws**".

CHANGES IN PRICES OR RESIDENTIAL UNITS

The Sponsor reserves the right to change the price of any Residential Unit without prior notice or amendment to the Plan except that a duly filed amendment to the Plan will be required for (a) an across the board price change affecting one or more lines of Residential Units or Residential Unit models, (b) a price change that is to be advertised, or (c) a price increase for an individual purchaser. The offering price of a Residential Unit is negotiable and may be changed.

In order to meet the possible varying demands for the number and type of Residential Units or to meet particular requirements of the prospective Purchasers or for any other reason, the Sponsor reserves the right for itself and its designees at any time, by amendment to the Plan and subject to the conditions set forth below, to: (i) change the price (as set forth above), the manner of payment, and any other term of sale, (ii) change the size, number and/or layout of Residential Units, (iii) reapportion the percentage Common Interests shown in Schedule A, and (iv) change the size or quality of the public areas of the Property. Any reallocation of the percentage Common Interests among Residential Units will vary the estimated Common Charges for such Residential Units from the amounts set forth in Schedule A. After the Declaration is recorded, any of the changes discussed in clauses (ii) through (iv) above may only be made by duly recorded amendment to the Declaration. As more particularly provided in the Declaration, the Sponsor and its designees will have the right to so amend or cause the Board of Managers to so amend the Declaration and Floor Plans to the extent required in order to reflect changes made as provided above. In connection with any of the changes discussed in clauses (ii) and (iv) above, the Sponsor shall obtain the consents of all governmental authorities having jurisdiction (if such consent is required by law or regulation).

Notwithstanding anything to the contrary contained in the Plan(i) no change will be made in the size or number of Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration; (ii) unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default; and (iii) unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

Prior to the Plan being declared effective, Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Residential Common Elements for the exclusive use of such Residential Unit Owners provided that such Residential Common Element was not offered in the Plan as any amenity for the shared use of the Residential Unit Owners of the Condominium. After the Declaration has been recorded, such rights shall be subject to the consent of the Residential Board of Managers. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if required.

Sponsor reserves the right to make any changes in the proposed Residential By-Laws, Amended and Restated Declaration and the Floor Plans for the Residential Section, and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Residential Units, or due to structural, architectural or mechanical considerations; provided, however, that any such amendments, additions, or changes shall not materially affect a Residential Unit Owner or Purchaser, increase any obligation of a Residential Unit Owner or Purchaser to any

adverse and material degree and any substitution of appliances, equipment or material shall be of substantially equal or better quality. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Notwithstanding anything to the contrary contained in the Plan (i) unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default; and (ii) unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

No material change will be made in the size or number of units and no material adverse change will be made in the size or quality of Common Elements of the Property unless Purchasers who have executed and delivered Purchase Agreements pursuant to the Plan and who are not then in default thereunder consent to such material change.

If a Purchase Agreement covering a Residential Unit has been executed and delivered pursuant to the Plan, then, provided that the Purchaser affected thereby is not in default thereunder, no material change shall made in the Unit size, layout, or percentage of Common Interest of the Unit, unless the Purchaser consents thereto.

Although the Sponsor intends to use the materials, finishes, fixtures, any appliances and equipment described herein and in the Floor Plans and specifications, the Sponsor reserves the right to substitute materials, finishes, fixtures, appliances and equipment of substantially equal quality, to extent readily available, for any of those set forth provided the substitutions are in accordance with the requirements of the Department of Buildings of the City of New York.

Reservation of Right to Negotiate Terms

Sponsor reserves the right, in its sole discretion and without prior notice or amendment to the Plan, to negotiate with purchasers all aspects of the purchase of any Residential Unit, including, but not limited to concessions related to: additions, or improvements to the Residential Unit or the fixtures, furniture, furnishings, or equipment contained therein or credit allowances therefor; a reduced deposit towards the Purchase Price; a financing contingency; an extension of time to secure financing; the application of interim rent towards the Purchase Price; maintenance subsidies or rebates; credits against the Purchase Price; and payment of all or part of the Purchaser's financing costs and/or closing costs (such as attorneys' fees, title insurance premiums, origination fees, commitment fees, and interest subsidies or "buy-downs"); and waiver of certain fees and charges to be paid by Purchasers as set forth in the Plan; and so-called "seller's concessions" which may include, but not limited to, any of the foregoing, and which may involve a "grossing up" of the Purchase Price of a Residential Unit in an amount equal to or greater than the sum total of such concessions or closing costs, provided that such seller's concessions are properly disclosed in all transaction documents in connection with the sale and Closing of the Residential Unit and provided that such seller's concessions are not prohibited by applicable law, regulation or ethical considerations. Sponsor does not represent that it will offer any, all, or any combination of the above incentives on any particular purchase and reserves the right to make, accept or reject such offers in its sole discretion. None of the foregoing benefits will be available to any Purchaser unless specifically agreed to in writing by the Sponsor. The price and terms of all purchases will be solely as set forth in the terms of the Purchase Agreement entered into by and between the Purchaser and the Sponsor. The Sponsor further reserves the right to amend the Plan from time to time to add or delete negotiable terms.

INTERIM LEASES

Sponsor is not currently offering any Purchaser or non-purchaser the right to enter into a lease for a Residential Unit. Purchasers are advised that Sponsor expressly reserves the right to lease Residential Units to Purchasers prior to consummation of the Plan and/or non-purchasers after consummation of the Plan on such terms as Sponsor shall determine. In such event the Plan will be amended. If Purchaser becomes a tenant at the Property pursuant to an Interim Lease for a Residential Unit, and Purchaser shall default in such Interim Lease, then Seller may elect to terminate the Interim Lease and such default shall be deemed a default under the Purchase Agreement. Similarly, a default under the Purchase Agreement shall be deemed a default under any Interim Lease. Notwithstanding the foregoing, before Seller may utilize the default under the Interim 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 Residential Unit.

An interim lease will not be subject to any rent protection or rent regulation laws. A tenant under an interim lease who defaults under the lease or the Purchase Agreement or who rescinds a Purchase Agreement pursuant to a right of rescission offered under the Plan shall have thirty (30) days to vacate the Unit from the date of service upon the tenant of a notice to vacate failing which Sponsor shall commence a summary proceeding in the Civil Court of the City of New York (Housing Part) to obtain legal possession of the Unit from the tenant and any other occupants.

In the event that a party enters into an Interim Lease with Sponsor, such party should note the Building's smoking policy. On August 28, 2018 Local Law 147 ("LL147") went into effect requiring owner(s) of each building in New York City with three or more residential dwelling units to establish a written smoking policy for the building. In the context of condominiums Local Law 147 defines "owner" as the board of managers. The building's smoking policy must address all indoor locations of the premises, including common areas and dwelling units, as well as all outdoor areas of the premises, including common courtyards, rooftops, balconies and patios and any outdoor areas connected to the dwelling units. The building's smoking policy must apply to all its tenants and unit owners and their invitees as well as other persons on the premises. The term "tenant" means a tenant, condominium unit owner, subtenant, lessee, sublessee or other person entitled to the possession or to the use or occupancy of a dwelling unit. A copy of the building's smoking policy must be posted in a prominent location and/or provided to all tenants, and/or unit owners. The building's smoking policy also must be incorporated into any agreement to rent or purchase a dwelling unit, including a dwelling unit in a condominium. Finally, the building's smoking policy must be incorporated into the bylaws or rules of the condominium. Failure by owners to adopt and disclose the building's smoking policy could result in civil penalties assessed by one of several New York City agencies. In addition, failure of any condominium unit owner, or tenant who rents or leases a dwelling unit to another person to disclose the building's smoking policy could result in civil penalties.

807 Manhattan Avenue Condominium is subject to Local Law 147. The Building's smoking policy is as follows: Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in all indoor and other outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the

building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment. See the section of the Plan entitled, "**Rights and Obligations of Residential Unit Owners**" and "**Special Risks**" in Part I of the Plan and the "**Purchase Agreement**" in part II of the Plan and the Building's "**Rules and Regulations**" in Part II of the Plan following and attached to the By-Laws.

PROCEDURE TO PURCHASE

Execution of Purchase Agreement, Deposit and Trust Provisions

A person who wishes to purchase a Residential Unit must complete and sign three copies of a Purchase Agreement and deliver the same to the Sponsor together with a check equal to the sum of (i) ten (10%) percent of the Purchase Price ("Down Payment"), plus (ii) the cost of any special work ordered by the Purchaser. Such checks shall be drawn to the order of "Abrams Fensterman as Escrow Agent." Each prospective Purchaser may be required to pre-qualify for a mortgage loan prior to entering into a Purchase Agreement and to complete such documents and provide such financial information as the Selling Agent or Sponsor shall request in connection therewith. The terms of sale and other provisions of an actual Purchase Agreement entered into between the Sponsor and any Purchaser may vary from the provisions contained in the form of Purchase Agreement contained in Part II of this Plan. However, such variations shall have no effect on the provisions of any other Purchase Agreement theretofore or thereafter entered into between the Sponsor and any other Purchaser nor shall such variations materially and adversely affect the Sponsor's obligations as set forth in the Plan.

All Down Payments paid by Purchasers on account of the Purchase Price of Residential Units under the Plan, together with all interest accrued thereon, if any, (collectively the "Deposits"), will be placed in an account in conformity with the disclosure set forth below. Sponsor will comply with the escrow and trust fund requirements of Section 71-a of the Lien Law and General Business Law Sections 352-e (2-b) and 352-h and the New York State Attorney General's regulations promulgated pursuant thereto.

The Escrow Agent:

The law firm Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP (hereinafter the "escrow agent"), whose address is 1 MetroTech Center, Suite 1701, Brooklyn, New York 11201 and whose telephone number is (718) 215-5300, shall serve as escrow agent ("Escrow Agent") for the Sponsor and Purchaser. Escrow Agent has designated the following attorneys to serve as signatories on the bank account into which all deposits toward the Purchase Price of a Residential Unit will be placed in escrow: Lawrence F. DiGiovanna, Esq., Mark J. Caruso, Esq. and Frank V. Carone, Esq. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

The Escrow Account:

The Escrow Agent shall establish the escrow account at Hanover Community Bank, 71-17 Austin Street, Forest Hills, NY 11375, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled, "Abrams Fensterman Attorney Trust" or similar name ("Escrow Account"). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. Frank V. Carone, Esq., a partner in the firm that will be the escrow agent is also a member of the Board of Directors of the Bank.

If an individual makes a Deposit in excess of $250,000 for the purchase of a Residential Unit, or if the amount of such individual's deposits at the Bank and such Deposit exceed $250,000, the aggregate of such Deposit and all other such deposits will generally not be federally insured in excess of $250,000. See "Special Risks."

All Deposits received by Purchaser shall be in the form of checks or money orders, and shall be made payable to the order of "Abrams Fensterman as Escrow Agent."

Any Deposits made for upgrades, extras, special, or custom work ("Extra Work Funds"), if any, shall also initially be deposited into the Escrow Account. Purchasers should note, however, that such Extra Work Funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrade, extra, special or custom work. As a result, in the event that Sponsor cancels the Purchase Agreement or if Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any Extra Work Funds actually expended, except if Sponsor abandons or withdraws the Plan, in which event Extra Work Funds will be returned to Purchaser.

The escrow account will be interest-bearing and, if the closing of the sale to a purchaser of a Residential Unit occurs under the Plan, interest on a Deposit made by a purchaser will be credited to such purchaser at closing. The interest rate to be earned on the Down Payments will be the rate paid from time to time by the Bank for the same type of account as the escrow account set up for the Purchasers. This rate, as of March 19, 2019, was 0.4% per annum Interest will begin to accrue when the check for the Down Payment is collected, and provided there is no charge back or debit by the Bank against the amount deposited. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

Escrow Agreement:

The Escrow Agreement is set forth in full in Part II of the Plan. The Escrow Agreement must be executed by the Sponsor, Purchaser, and Escrow Agent.

Notification to Purchaser:

Within five (5) business days after the Purchase Agreement has (i) been unconditionally tendered to Escrow Agent by Purchaser along with the Deposit, and (ii) signed by all necessary parties including Sponsor, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. With ten (10) business days after the Purchase Agreement has been signed by all necessary parties including Sponsor, Escrow Agent shall provide written notice to Purchaser and the Sponsor, confirming the Deposit. The notice shall provide the account number and the initial interest rate to be earned on the Deposit, if any.

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 unconditional 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, 21stFloor, 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.

For the purpose of measuring the time within which the Deposit must be placed into the Escrow Account and Purchaser to receive notice of such Deposit, a Deposit will be deemed to have been unconditionally tendered when it is delivered to the Selling Agent, Sponsor or the Escrow Agent, together with a Purchase Agreement in the form agreed to

by Sponsor and signed by the Purchaser, without any request for a change in such form or the terms of the Purchase Agreement.

Release of Funds:

All Deposits, except for Extra Work Funds to the extent that the same are used or expended by Sponsor for extra, special, upgrade or custom work requested by a Purchaser and agreed to in writing by Sponsor, are and shall continue to be the Purchaser's money, and may not be comingled with any other money or pledged or hypothecated by the Sponsor, as per GBL § 352-h.

Except for Extra Work Funds, under no circumstances shall the Sponsor seek or accept release of the Deposit of a defaulting Purchaser until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL §§ 352-3(2-b) and 352-h.

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to the terms and conditions set forth in the Escrow Agreement upon closing of title to the signed by all necessary parties including Residential Unit; or

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

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

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

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

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

Waiver Void:

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

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

Purchasers shall not be obligated to pay any legal or other expense of the Sponsor in connection with the handling or disposition of Deposits paid by such purchasers. However, nothing in the preceding sentence shall limit the obligation of any purchaser to pay the fees and expenses of the Sponsor's attorneys (to the extent such fees and expenses are expressly disclosed in the Plan as amended hereby) in connection with the purchase or closing of the Residential Unit purchased by such purchaser under the Plan.

Part II of this Plan contains a copy of the escrow agreement which is subject to the terms of the Attorney General's regulations. In the event of any conflict between such escrow agreement and either any other provision of this Plan, any amendment thereto, or any Purchase Agreement, such escrow agreement shall control. The escrow agent will maintain all records concerning the escrow account for seven years after the release of any 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. Notices given by the escrow agent, the Sponsor, or its agents pursuant hereto shall be deemed given (i) upon delivery if personally delivered or (ii) upon the fifth day after the date of mailing.

Balance of Purchase Price and Closing Documents

After this Plan has been declared effective and at such time as Sponsor is preparing to consummate the Plan, the Sponsor shall fix dates for closing title to all Residential Units (each a "Closing Notice") for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's Closing Date, which notice shall be served not less than thirty (30) days before the date set for the closing of the Units, except if the particular Purchaser shall waive the requirement of 30 days' notice. The balance of the Purchase Price shall be payable on the Closing Date by a bank cashier's check drawn on, a bank which is acceptable to the Sponsor and which is a member of the New York Clearing House Association, to the order of Sponsor or such other payee as Sponsor may direct. Notwithstanding the foregoing, if the date of the Purchase Agreement is after the closing of the sale of the first Residential Unit under the Plan, then the Closing Date shall be that date which is 45 days after the date of the Purchase Agreement and Seller shall not be required to give Purchaser the Initial Closing Notice.

Sponsor anticipates that the first closing of a Residential Unit shall occur on or about July 1, 2020. A Purchaser will be offered a right to rescind his Purchase Agreement

if: (i) the actual date of closing to the first Residential Unit; or (ii) the projected date of closing of title to the first Residential Unit occurs later than July 1, 2021, twelve (12) months after the projected date of the first closing. If the Plan is amended to provide for a later projected date for the first closing of a Residential Unit, Purchasers will be entitled to an offer of rescission if the first closing occurs more than 12 months beyond that amended, later date. Purchasers electing to rescind a Purchase Agreement will receive the return of their Deposit except for Extra Work Funds to the extent such Extra Work Funds have been actually expended by Sponsor.

Purchasers should note that even if the first closing occurs on or before July 1, 2020 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a temporary certificate of occupancy ("TCO") has not been issued for such Residential Units or for the floor on which such Residential Units are located. Such delays could inconvenience Purchasers and result in the expiration of mortgage commitments. 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 Residential Unit. PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THE DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. See "**Special Risks**".

Purchasers are advised that in New York City, newly constructed buildings are sometimes offered as condominium projects without a Permanent Certificate of Occupancy ("PCO") covering the 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 TCO and PCOs are issued by the New York City Department of Buildings ("DOB"). A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All open building applications affecting the Building must be completed and closed out before DOB will issue a PCO. 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 a PCO. Sponsor anticipates this scenario may occur. Sponsor and its principals will undertake the responsibility for extending each TCO received prior to expiration thereof and ultimately for obtaining a PCO covering the Residential Section within two years from the date of the issuance of the first TCO, subject, however, to (a) Force Majeure, (b) actions by Residential Unit Owners or tenants of Residential Unit Owners, (c) work undertaken in a Residential Unit by a Unit Owner except in instances where Sponsor or the Sponsor-controlled Residential Board gave its consent to a Residential Unit Owner to Perform alterations, or (d) work undertaken in the Common Elements by the Residential Board after Sponsor no longer controls the Residential Board, or (e) any other cause over which Sponsor has no control. However, Sponsor and its principals make no representation or guarantee that DOB will issue the PCO within such two year period. NOTWITHSTANDING THE FOREGOING, SPONSOR AND ITS PRINCIPALS ARE OBLIGATED TO PROCURE THE PCO FOR THE RESIDENTIAL SECTION, AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO YEAR PERIOD WHILE KEEPING THE TCO CURRENT.

Residential Unit Owners and the Board of Managers shall be obligated to cooperate with and refrain from obstructing Sponsor in these undertakings.

Furthermore, because the Sponsor and the By-Laws of the Condominium may permit Residential Unit Owners to undertake renovations to individual Residential Units prior to the procurement of a PCO, such renovations may cause additional delays in the issuance thereof. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO. See **Rights and Obligations of the Sponsor.**

The New York City Department of Buildings advises Purchasers of houses and apartments who close with only a temporary certificate of occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a Permanent Certificate of Occupancy. It is strongly recommended that Purchasers consult the DOB website for further recommendations when purchasing units in a building that does not have a Permanent Certificate of Occupancy. A Factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co factsheet.pdf

On the Closing Date, the Purchaser shall be required to sign and deliver a Power of Attorney in favor of the Board of Managers covering the Residential Unit in the form contained in Part II of the Plan and pay certain closing fees, costs and adjustments. Failure to execute the Power of Attorney at Closing shall be deemed a default. See the discussion below concerning a default by a purchaser. The Purchaser shall also execute at the closing the New York State and New York City real property transfer tax returns covering the sale of the Residential Unit, any real estate reporting return and statement required by the Internal Revenue Code (the "Code") or the regulations thereunder, all other documents required by law, and all other documents reasonably required by the Sponsor or required under such Purchaser's Purchase Agreement.

Default by Purchaser

If a Purchaser defaults in making any payments due under the Purchase Agreement or fails to execute and deliver documents, make the payments described above, or perform any of his other obligations under the Purchase Agreement, then the Sponsor may at its option give written notice of default under the Purchase Agreement to the Purchaser. If the default is not cured within thirty (30) days after written notice thereof, then the Purchase Agreement shall be deemed canceled and Sponsor shall be entitled to the payment due upon execution of the Purchase Agreement and any payments made thereunder (but not exceeding the sum of 10% of the Purchase Price thereunder plus all costs for any special work ordered by the Purchaser) together with interest earned thereon, if any, as and for liquidated damages Sponsor must first give the thirty (30) day notice described in this paragraph before forfeiture of a down payment may be declared. Sponsor shall also have the alternative right to bring an action against Purchaser for specific performance of the Purchase Agreement. **TIME IS OF THE ESSENCE FOR A PURCHASER TO CURE A DEFAULT WITHIN THIRTY (30) DAYS OF SPONSOR'S WRITTEN NOTICE OF DEFAULT TO PURCHASER.** See "**Special Risks**." Cancellation of a Purchase Agreement will permit the Sponsor to sell the Residential Unit to others as though the Purchase Agreement had never been made and the Purchaser shall not have any further rights against or obligations to the Sponsor, the Condominium or others purchasing such Residential Unit. See **"Special Risks."**

Risk of Loss

The risk of loss or damage to the Property by fire or other casualty until the date of closing of title of the first Residential Unit is assumed by Sponsor but without any obligation or liability upon Sponsor to repair or replace the same. Sponsor may, however,

at Sponsor's option, elect to abandon the Plan (see "**Effective Date**") or to repair or replace such loss or damage. If Sponsor elects to replace such loss or damage, then at Sponsor's option it shall be entitled to reasonable adjournments of the closing.

Cooling Off Period and Sponsor's Acceptance or Rejection of Purchase Agreement

If a Purchaser has not been afforded at least three (3) business days to review the Plan and all filed amendments thereto prior to executing and delivering his Purchase Agreement, then such Purchaser may rescind his Purchase Agreement by giving notice of rescission to the Sponsor within seven (7) days after the date of such Purchase Agreement.

Each person interested in the purchase of a Residential Unit will be required to give the Sponsor (or Selling Agent if Sponsor employs one) a $250 deposit for a copy of the Plan. Such deposit will be refunded to the prospective purchaser if he either (i) tenders a Purchaser's Agreement, (together with the Down Payment) that is accepted by Sponsor or (ii) returns the Plan and all amendments within fifteen (15) days in good, reusable condition.

Within fifteen (15) days after the Purchaser delivers to Sponsor three copies of his Purchase Agreement executed by him together with the required deposit, the Sponsor shall either (i) accept such Purchase Agreement and return one fully executed counterpart to the Purchaser thereunder (or the Purchaser's attorney) or (ii) reject such Purchase Agreement by notice thereof personally delivered or mailed by registered or certified mail return receipt requested to the Purchaser together with a refund of any deposit made by the Purchaser under his Purchase Agreement. If the Sponsor takes no action within such fifteen (15) day period, then the Purchase Agreement shall be deemed canceled. Until a Purchase Agreement is executed by Sponsor and returned to the prospective Purchaser, the Sponsor will not be bound by any such Purchase Agreement submitted to it. The Sponsor may reject any Purchase Agreement, without cause or explanation, so long as such rejection is not based upon race, creed, color, national origin, sex or any other ground prohibited by law.

The Residential Units are being sold in the condition described in the **"Description of Property and Specifications**" section of Part II of the Plan and Sponsor will not have any obligation to make any repairs or improvements except as is expressly provided in the **"Description of Property and Specifications"** or in the "**Rights and Obligations of Sponsor"** section of Part I of the Plan.

Conflicts between Plan and Purchase Agreement

A complete copy of the Purchase Agreement is included in Part II of this Plan. If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Plan, then such conflict or inconsistency shall be resolved in favor of the Plan. The Plan and the Purchase Agreement may not contain, or be modified to contain, a provision waiving a Purchaser's rights or abrogating Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

No Financing Contingency

It should be noted as a Special Risk that although a Purchaser is free to apply for a loan to finance the purchase of a Residential Unit, the obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. The Purchase Agreement that Purchaser shall be required to sign is not contingent upon Purchaser obtaining such financing. Any prospective Purchaser who executes a Purchase

Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the Purchase Price. Accordingly, if a Purchaser applies for and is denied a loan, Purchaser shall still be obligated to close under the Purchase Agreement. If Purchaser fails to close under the Purchase Agreement, Purchaser may forfeit the down payment paid under the Purchase Agreement as liquidated damages (not to exceed 10% of the Purchase Price). Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by Sponsor as to the availability or cost of such financing. See **"Special Risks."**

Sponsor and the Condominium Board will execute such documents as an institutional lender may reasonably require in accordance with customary lending practices (such as, for example, a Closing Disclosure, or a letter indicating the status of Common Charges), provided such documents are standard documents typically executed by sponsor-sellers of residential condominium units in the New York metropolitan area (or typical documents executed by condominium boards) and provided further that such documents have been submitted for review to Sponsor or the Condominium Board (as the case may be) at least five (5) business days in advance of the Closing. Neither Sponsor nor the Condominium Board will be required to sign any financing documents that contain obligations or representations on the part of either Sponsor or the Condominium that are beyond the scope of the obligations or representations assumed or made by the Sponsor or the Condominium herein. Sponsor will not be required to sign any financing documents that obligate Sponsor to pay any fees to the lender or to make any modifications to the Residential Unit (other than those improvements that are expressly contained in the Plans and Specifications). Therefore, a Purchaser seeking financing should confirm with his lender that the loan documents will conform to the provisions of the Plan.

Inspection

Purchasers will be required to inspect their Residential Units before the Closing Date and execute an Inspection Statement that will identify incomplete work of a material nature to be completed in the Residential Unit following the Closing Date of the Residential Unit. If a Purchaser fails to attend the scheduled inspection of his or her Residential Unit, the Purchaser shall be deemed to have waived the right to require Sponsor to correct any punch-list items and patent defects with respect to the Residential Unit. See the form of Inspection Statement annexed to the Purchase Agreement.

Resale Fee

The Purchase Agreement provides that in the event that a Purchaser enters into an agreement ("Resale Agreement") to sell the Residential Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under the Purchase Agreement with Sponsor for the Residential Unit. The Resale Fee shall be paid to Sponsor by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by Purchaser must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any

Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. The provisions of this Section shall survive the Closing of Title.

ASSIGNMENT OF PURCHASE AGREEMENTS

No Right of Assignment by Purchaser

The Purchaser may not assign his Purchase Agreement without first obtaining the written consent of the Sponsor, which consent may be granted or withheld in Sponsor's sole and absolute discretion. If consented to by Sponsor, Purchaser shall pay additional legal fees of $1,250 to Sponsor's attorney in connection with attention to such assignment. See "**Closing Costs and Adjustments**." Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by applicable law.

EFFECTIVE DATE

The Sponsor's offer to sell Residential Units pursuant to the Plan is contingent upon the Plan being declared effective and compliance with the relevant conditions and time periods described in the Plan. The following provisions shall determine whether, when and how the Plan will be declared effective:

The Sponsor may at its option declare the Plan effective if Purchase Agreements with bona fide purchasers, including investors, have been accepted by the Sponsor for not less than 15% of the 29 Residential Units. In the event that the proceeds of sales from Residential Units is inadequate to fully satisfy the Construction Loan by either the Initial Maturity Date or Extended Maturity Date, the Construction Lender could take ownership of the Unsold Residential Units and would have the right to rent them or, at its option, to sell them. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium. The Plan will not be declared effective based on Purchase Agreements:

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

(ii) if the Purchaser was not afforded the seven (7) day period to rescind the Purchase Agreement or the three (3) business day period to review the Plan and all filed amendments in accordance with the provisions set forth above in the section of the Plan entitled **"Procedure to Purchase"**; or

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

The Sponsor must declare the Plan effective when the Sponsor has accepted Purchase Agreements for the sale of at least 80% of the Residential Units (twenty-four (24) Residential Units).

If the Plan has not been declared effective, it may be abandoned by Sponsor at any time before Sponsor has accepted Purchase Agreements for the sale of at least 80% of the Residential Units (twenty-four (24) Residential Units).

The Plan will be declared effective by (i) an amendment to the Plan or (ii) by service of notice of effectiveness stating that the Plan is declared effective on every purchaser by either (x) personal delivery or (y) by commencement of service by mailing by regular mail or registered or certified mail with or without return receipt requested, addressed to each purchaser at his or her last known residence address, or, if the Purchaser has provided written information of an alternative address for notices, addressed to such Purchaser at the alternative address. If Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Purchaser, the mailing shall be addressed to such last business or employment address. If the Plan is declared effective by a written notice, an appropriate amendment to the Plan confirming that the Plan was declared effective on a specified date will be submitted to the

Department of Law for filing within five (5) business days after service of such notice, together with an affidavit of service as required by the Department of Law. The closing of title to the first Residential Unit pursuant to the Plan shall not be consummated until the Plan is declared effective and such amendment is accepted for filing. Title exceptions may include the state of facts shown on a survey dated January 23, 2015, made by Boro Land Surveying, P.C. and any additional state of facts a subsequent survey would show, provided that such additional state of facts does not render title unmarketable.

Once the Plan has been declared effective the Plan may not be abandoned by Sponsor except for (i) defect(s) in title which either cannot be cured without litigation or cannot be cured for less than one half of one percent of the total amount of the offering ("Maximum Amount") in the aggregate; (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than the Maximum Amount in the aggregate; or (iii) the taking of the Property or any material portion thereof by condemnation or eminent domain.

If the Plan is abandoned, then all moneys paid by Purchasers under Purchase Agreements (except for funds that were used for upgrades or extras), that were not previously canceled in accordance with provisions of the Plan shall be refunded to them, together with interest earned thereon, if any, no later than 15 days after the amendment to the Plan abandoning the Plan has been accepted for filing. The Sponsor shall promptly (i) file a notice of abandonment on Form RS-3, or such other form as the Department of Law may require, disclosing the reasons for such abandonment and account for the disposition of all moneys received by the Sponsor under the Plan, and (ii) submit to the Department of Law for filing an amendment to the Plan disclosing that the Plan has been abandoned, the amount of the payments made under Purchase Agreements and the time and manner in which these funds will be returned to Purchasers.

After the Plan has been declared effective, the sale of Residential Units to Purchasers will close at a place and on a date (the "Closing Date") to be fixed by the Sponsor, which date shall, in the case of any Purchase Agreement dated before the date the Plan has been declared effective, be not less than thirty (30), unless the closing is adjourned, provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan.

Pursuant to existing law and regulation the Sponsor may declare the Plan effective once it has accepted Purchase Agreements from bona fide purchasers (including investors) with respect to at least 15% of the Residential Units (five (5) Residential Units), but it is not a requirement to close the conversion that each Purchaser delivering a Purchase Agreement which is counted toward the 15% actually close on his purchase. Therefore, the conversion may become effective even though the sales of less than 15% of the Residential Units are closed. In the event that all Purchase Agreements are either rescinded or terminated prior to the First Closing Date, Sponsor will be required to re-declare the Plan effective based upon sale of at least 15% of the Residential Units in order to consummate the Plan regardless of whether or not the condominium declaration has been recorded. The Plan will not be considered consummated unless at least one (1) Purchaser closes title to a Residential Unit following the acceptance of an amendment to the Plan by the Department of Law declaring the Plan effective. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans and purchase financing. Such restrictions include requiring that a certain percentage of the residential units in a building or group of buildings be sold before the lender will consider making a loan. Thus, it may be possible for a purchaser to experience difficulty obtaining a loan in a building or group of buildings where the sponsor or owner of unsold units 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 percentage of units purchased is lower than a lender's particular sales minimum. 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 a Residential Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See **"Special Risks**."

TERMS OF SALE; CLOSING OF TITLE TO RESIDENTIAL UNITS

Prerequisites to Closing of Title

The Closing for any Residential Unit means the transfer of title to such Residential Unit, by means of the delivery of a deed to such Residential Unit by the Sponsor to the Purchaser of such Residential Unit, and the simultaneous performance by such Purchaser of his obligations to the Sponsor including, without limitation, payment of the balance of the Purchase Price for such Residential Unit which is due on the Closing Date for such Residential Unit. The closing of title to each Residential Unit shall take place only after or concurrently with the following events:

1. The Plan being declared effective by Sponsor and the acceptance of an effectiveness amendment by the Department of Law.

2. The issuance of a partial, temporary or permanent certificate of occupancy for such Residential Unit or the Residential Section. In the event that only a partial or temporary certificate of occupancy has been issued at the time of the closing, then prior to the closing, a certification by the Sponsor's architect as to the cost to obtain a permanent certificate of occupancy shall be disclosed in an amendment to the Plan and an escrow in compliance with such certification shall be posted by Sponsor to secure the obtaining of the permanent certificate of occupancy. See the section of the Plan entitled, "**Rights and Obligations of Sponsor**" for a more detailed description of the architect's certification and the escrow.

3. The certification by the Sponsor's architect or engineer that any work to be performed by the Sponsor in advance of the First Closing Date has been completed substantially in accordance with the Plans and Specifications, except (a) work in the Building which is customarily left incomplete until after occupancy, (b) work in any Residential Unit to be done by or for the account of Purchasers, and (c) punch list items.

4. The recording or filing with the Office of the City Register, Kings County, as required by law or regulation, of the Declaration, By-laws, Floor Plans and engineer's and tax authority certification required by section 339-p of the Condominium Act.

5. The release of the Residential Unit and its appurtenant interest in the Common Elements from the lien of any mortgages and other liens, except any mortgage or lien requested or made by the Purchaser on or before the time of closing for such Residential Unit.

6. Written notice of the Closing Date (which notice shall advise the Purchaser of the opportunity to inspect the Residential Unit and the Common Elements) is given to the Purchaser as provided in this Plan.

7. The execution and delivery to the Purchaser, the Purchaser's attorneys or the Purchaser's title company of a Residential Unit Deed covering the Residential Unit in the form set forth in Part II of the Plan.

8. The execution and delivery by the Purchaser of the Power of Attorney, in the form set forth in Part II of the Plan. See **"Special Risks."**

9. The payment by the Purchaser of the Purchase Price and any closing fees and costs provided under the Plan.

10. The assignment to the Residential Unit Owner by the Sponsor of assignable manufacturer's warranties, if any, with respect to equipment and appliances installed in and serving only the Residential Unit; and the assignment to the Condominium of any assignable manufacturer's warranties with respect to equipment and appliances installed in and serving only the Common Elements. The Sponsor shall not be obligated to assign any warranties which are not assignable or that have not been delivered to the Sponsor, or that relate to any Common Elements that have not been completed by the Sponsor.

State of Title

Title to each Residential Unit and its appurtenant interest in the Common Elements will be conveyed at the closing of such Residential Unit free and clear of all liens, encumbrances, and title exceptions other than those described in the proposed Residential Unit Deed and the title exceptions and other matters set forth below (collectively the "Permitted Encumbrances"). It is noted that should any owner of property that is the subject of any encroachment seek to litigate with the Condominium regarding such encroachment, the Condominium may incur costs in defending such litigation. The Permitted Encumbrances are:

1. Any state of facts an accurate survey and inspection of the Property, Building and Residential Unit made on the Closing Date for such Property, Building and Residential Unit would show, provided that such state of facts is not otherwise disclosed in this Plan and does not prohibit the use of the Residential Unit for residential use; and the following state of facts shown on Survey dated January 23, 2015 and amended February 9, 2015, made by Boro Land Surveying, P.C., which shows the following survey exceptions:

(a) Projections over Manhattan Avenue: roof cornice and flag poles.

(b) One story enclosed frame staus from premises adjoining on the southeast encroach onto subject premises 0 feet 6 inches.

(c) Retaining wall, wood fence and PVC fence extend onto premises adjoining on the south.

(d) Chain link fence on 12 inch concrete wall inside portion of southerly line.

(e) Fence with rolling gate inside westerly line of title.

(f) Projections over Lorimer Street: roof cap, sprinkler and spigot.

(g) Projections over Calyer Street: lights, sign, roof cap, flag pole, water meter, spigot, stone base, roof cornice, vent, alarm box and sprinkler.

2. Zoning Lot Statement, or similar instrument, if required by law, ordinance, regulation, zoning resolution or administrative agency, to be recorded in the Office of the City Register and any other declaration or instrument affecting the Property which Sponsor must file to comply with any law, ordinance regulation, zoning resolution or requirement of the Department of Buildings, New York City Planning Commission, Board of Standards and Appeals, or of any other public agency or authority, applicable to the construction, alteration, repair, demolition or restoration of the Building; and, specifically, without limitation, the following, Covenants, Conditions, Restrictions, Easements, Agreements,

etc. of record:

(a) The premises have been designated as part of Greenpoint Historic District by Notice of Designation recorded July 18, 1983 in Reel 1412, Page 42 and are therefore subject to the restricted use as provided in the New York City Charter and Title 25, Chapter 3 of the New York City Administrative Code.

(b) Revocable Consent Agreement (owner) made by New York City Department of Transportation to North Fork Bank dated April 6, 2006 recorded September 14, 2006 as CRFN 2006000519657.

(c) Terms, provisions, covenants, restrictions, conditions and options contained in and rights and easements established by the Declaration of Condominium and By-Laws dated June 23, 2017 and recorded October 3, 2017 in CRFN 2017000366969.

(d) Policy will except the terms and conditions set forth in the Amended and Restated Declaration of Condominium and By-Laws (to be recorded pursuant to this Offering Plan) dated _____, recorded in the office of the Register's/Clerk's Office of Kings County in _____; but policy will insure against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law as amended.

3. Minor encroachments onto premises and any encroachments from subject premises on to adjacent streets.

Fidelity National Title Insurance Company (the "Preferred Title Company") will insure to each Purchaser who obtains a title insurance policy from it, "that each and all of the foregoing encroachments [items 1 & 3] may remain as long as the building on the subject premises [the Land] shall stand."

4. Any covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and residential use of the Residential Unit;

5. Rights, if any, to maintain vaults and chutes under the sidewalk;

6. The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items is made as provided in this Plan;

7. Service, labor, concessionaire and maintenance agreements contemplated under this Plan;

8. Any Interim Lease with the Purchaser of such Residential Unit and any other leases, tenancies and occupancies permitted by the Purchase Agreement for such Residential Unit;

9. Any lien, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to the Purchaser's title insurance company together with the required recording or filing fee or (ii) as to which the Purchaser's title insurance company or the Preferred Title Company will insure that the lien, encumbrance or lis pendens will not be collected out of or enforced against the Residential Unit;

10. The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

11. Variation between Tax Map and record description of the Property;

12. Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of the Sponsor or any of its principals, provided the Sponsor delivers to the Purchaser or the Purchaser's title insurance company or the Preferred Title Company an affidavit showing that such judgments, bankruptcies or other returns are not against the Sponsor;

13. Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the Closing Date, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is no longer in the Residential Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

14. The printed exceptions set forth in Fidelity National Title Insurance Company Title No. 19-7406-53463-K (or in the title insurance policy issued pursuant to such title commitment) or in any title policy issued by a title company that is authorized to do business in the State of New York and that is a Member of the New York Board of Title Underwriters.

15. Defects and encumbrances arising or becoming a lien after the Closing Date;

16. Consequences of the exercise and enforcement or attempted enforcement of any governmental, war or police powers over the Residential Unit or the Property;

17. Any laws, regulations or ordinances (including, but not limited to zoning, building, and environmental protection) as to the use, occupancy, subdivision or improvement of the Residential Unit or the Property, adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof;

18. Judgments against the insured or estates, interests, defects, objections, liens or encumbrances created, suffered, assumed or agreed to, by or with the privity of the Purchaser;

19. Title to any property beyond the lines of the Residential Unit or the Property, or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners;

20. Title to any personal property, whether the same be attached to or used in connection with the Residential Unit or the Property or otherwise;

21. All of the terms, easements, covenants and conditions of the Declaration and By-Laws as they are subsequently filed or recorded and the Plan and Purchase Agreement and any amendments thereto, including, without limitation, the following:

Easements for the continuance of encroachments on the Residential Unit and on the Common Elements or Limited Common Elements, by other Units or portions of the Common Elements or Limited Common Elements then existing, by reason of the construction, improvement or construction of the Building, or thereafter occurring by reason of the settling or shifting of the Building, or by reason of the repair, alteration, and/or restoration by Sponsor and/or its designees or the Board or Residential Board, or encroachments by such other Units or such Common Elements or Limited Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements or Limited Common Elements, made by Sponsor or the Residential Board, and similar encroachments by the Residential Unit on other Units, the Common Elements and/or Limited Common Elements, so that any such encroachments may remain as long as the Building stands;

Easements in favor of the owners of other Units to use sidewalks, pipes, flues, wires, conduits, ducts, cables, storm drainage facilities, sanitary system, water, sewer, utility lines, and other Common Elements or Limited Common Elements, including those located in the Residential Unit itself or elsewhere on the Property, serving such other Units, and easements of support, subjacency and necessity in favor of each Unit and/or the Common Elements and Limited Common Elements;

Easements to the Sponsor and any affiliate of the Sponsor and their successors, assigns, invitees, licensees contractors, employees and tenants, on, in, over and across all areas of the Property for (i) construction, installation, maintenance, ingress to and egress from and the right to use sidewalks, pipes, flues, conduits, ducts, cables, wires, storm drainage facilities, sanitary system, water, sewer and other utility lines and other Common Elements and Limited Common Elements; (ii) ingress to and egress from all areas of the Property and the use thereof (in common with Unit Owners) for construction contemplated by the Plan and for development and maintenance of the Property or any Unit; and (iii) the erection, maintenance, repair and replacement from time to time of one or more signs on the Property for the purposes of advertising the sale of Residential Units and the leasing of space in any Residential Unit (see also the heading **"Sponsor's Right of Access"** in "**Rights and Obligations of Sponsor"**);

Easements in favor of the Board, its agents, contractors and employees to (i) have an unlimited right of access to the Residential Unit and to the Common Elements and Limited Common Elements, to inspect, maintain or repair or to make repairs to the Residential Unit to prevent damage to the Common Elements, or Limited Common Elements, or any other Units;

Non-exclusive easements in favor of telecommunications firm(s) selected by Sponsor over the (a) Residential Common Elements and (b) such location within the Limited Common Elements as may be (i) necessary to provide such telecommunications services and satellite dish services as may be described in such written agreements as may be entered into by Sponsor and/or the Condominium Board and (ii) approved in writing by Sponsor (prior to the Closing Date) or the Condominium Board or Residential Board (after the Closing Date), which consent(s) shall not be

unreasonably withheld or delayed, for the installation, maintenance, repair, replacement and removal of a satellite dish and antennas and any and all related telecommunications equipment and facilities including, without limitation, cables, wires, conduits, horizontal and vertical risers, shafts, terminals, multiplexes and other equipment and apparatus. In addition, such telecommunications firms shall have an easement for access to each Residential Unit for the maintenance, repair and replacement of any of the foregoing equipment.

Easement in favor of the Unit Owner of Unit C1 for emergency egress through the cellar of the Condominium and to the roof of the Condominium for access to mechanical equipment.

Purchaser will be free to select a title company of his or her choice. If requested by the Purchaser, Fidelity National Title Insurance Company, having an address 485 Lexington Avenue, 18th Floor, New York, NY 10017, telephone number (212) 471-3809 (the "Preferred Title Company"), will agree to insure, upon payment by Purchaser of the premium for such insurance (see the estimate of the cost described below in "**Closing Costs and Adjustments**"), (i) that the Purchaser has fee title to the Residential Unit, free and clear of all liens and encumbrances except those set forth in the Plan, and subject to the provisions of the Declaration and By-Laws and any mortgage executed, or any other encumbrance created, by the Purchaser; (ii) that the Residential Unit is part of the Condominium which was validly created pursuant to Article 9-B of the Real Property Law.

Any liens, encumbrances or title conditions that are not included in the Permitted Encumbrances set forth above shall not be an objection to title if Purchaser's title insurance company is unwilling to issue affirmative insurance at its regular rates and without additional premium, as long as the Preferred Title Company would be willing to do so at its regular rates and without an additional premium (as evidenced by the issuance of the same by the Preferred Title Company in connection with the closing of any other units in the Condominium).

With respect to any Mortgage that affects the Property, a Release of the Residential Unit from the lien of such Mortgage shall be delivered at or before Closing of title to such Residential Unit but such Mortgage may continue to be a lien with respect to any remaining Residential Units not transferred by Sponsor as of the date of Closing of title. In addition, at the time of conveyance of the first Residential Unit, the Construction Lender will either: (i) consent to the formation of the condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of condominium; or (iii) release its lien on the condominium unit being conveyed and that Residential Unit's interest in the Common Elements.

Deed

The Residential Unit Deed to be delivered by the Sponsor for any particular Residential Unit shall be a bargain and sale deed with covenants against grantor's acts in the form set forth in Part II of the Plan.

Financial Crimes Enforcement Network's Geographical Targeting Order

Prospective Purchasers should be aware that all title insurance companies insuring a purchaser's title to a Residential Unit are required to report certain purchaser information to the Financial Crimes Enforcement Network ("FinCEN") pursuant to FinCEN's Geographic Targeting Order ("GTO"). The title company is required to report to FinCEN the personal identity of (a) the individual natural person primarily responsible ("Responsible Individual") for representing the Purchaser in residential real estate

transactions and (b) any person who, directly or indirectly owns 25% or more of the equity interests of the Purchaser ("Beneficial Owner") in residential transactions where: (1) the purchaser is a legal entity, which is defined in the GTO as a corporation, limited liability company, partnership or other similar business entity, whether formed under the laws of a state or of the United States or a foreign jurisdiction; (2) the purchase involves residential property located in any of the Boroughs of New York City; (3) the total Purchase Price is $300,000 or more in all of the Boroughs of New York City, including the Borough of Brooklyn; (4) the purchase is made without a bank loan or other similar form of external financing; and (5) the purchase is made, at least in part, using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds transfer, or virtual currency. So long as the GTO remains in effect, its reporting requirements apply to all transactions in this offering all of which exceed the $300,000 threshold.

The title company will obtain a copy of the Responsible Individual's and all Beneficial Owners' driver's license, passport or other similar identifying documentation. This information and other information regarding the transaction including, without limitation, the (i) date of closing, (ii) Purchase Price, (iii) address of the real property, and (iv) amount transferred using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, or a money order in any form, a funds transfer, or virtual currency will be reported to FinCEN on a Form 8300 as prescribed by FinCEN.

The GTO can be viewed at the following web address: https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

Further information regarding the GTO is also available at the following web address: https://www.fincen.gov/news/news-releases/fincen-targets-shell-companies-purchasing-luxury-properties-seven-major. See "**Special Risks**".

Risk of Loss in the Event of Fire or Other Casualty

If, between the date of a Purchase Agreement and the Closing Date, a Residential Unit is damaged by fire or other casualty, the following shall apply:

The risk of loss to the Residential Unit by fire or other casualty until the Closing Date shall be assumed by Sponsor (unless and until the Purchaser takes possession of the Residential Unit, at which time such risk shall be assumed by Purchaser if such loss is not covered by insurance and in no event shall Sponsor be liable for the risk of loss of any personal property not included in the sale of the Residential Unit), but without any obligation of or liability by Sponsor to repair or restore the Residential Unit or the Property. If Sponsor elects to repair or restore the Residential Unit, then the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

If the Sponsor notifies Purchaser that it does not elect to repair or restore the Residential Unit or, if the Declaration has been recorded prior thereto, there is damage to part of the Building other than the particular Residential Unit covered by the Purchase Agreement and the Unit Owners do not resolve to make such repairs or restoration pursuant

to the By-Laws, the Purchase Agreement shall be deemed terminated, and provided Purchaser is not then in default under the Purchase Agreement, Sponsor shall return to Purchaser all sums deposited by Purchaser thereunder (except for funds that were used for upgrades or extras), together with interest earned thereon, if any, and neither party shall have any further rights, obligations or liability to or against the other under the Purchase Agreement and under the Plan.

If the Purchaser takes possession of the Residential Unit prior to Closing and the Residential Unit is damaged by fire or other casualty, then the Purchase Agreement shall continue in full force and effect but without any obligation of or liability by Sponsor to repair or restore the Residential Unit or the Property and upon closing under the Purchase Agreement and payment by the Purchaser of all sums due thereunder, subject to the rights of any holder of a mortgage affecting the Residential Unit, Sponsor shall turn over to Purchaser the net proceeds (after legal and other expenses of collection) actually collected by Sponsor under the provisions of such insurance policies covering such damage to the extent that they were attributable to such damage to the Residential Unit, less any sums expended or incurred by Sponsor for restoration of the Residential Unit, and the Sponsor shall assign, without recourse, Sponsor's right to any insurance payments, not yet received by Sponsor attributable to such damage to the Residential Unit, less any unrecouped sums therefore expended or incurred by Sponsor for the restoration of the Residential Unit and any legal and/or other expenses of collection. A Purchaser who takes possession prior to Closing assumes the risk of losses not covered by insurance carried by either the Sponsor or the Condominium, as the case may be.

Personal Property

No personal property is included in the sale of any Residential Unit except as expressly provided in the Plan or in the Description of Property and Specifications in Part II. All personal property affixed to or located within the Common Elements that is owned by the Sponsor and is used in connection with the Common Elements on the date of the recording of the Declaration shall be deemed to be part of the Common Elements unless such personal property is used in connection with any Residential Unit which is owned by the Sponsor or unless otherwise provided in this Plan.

Each Purchaser shall accept title to his Residential Unit (without abatement in, or credit against, the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Residential Unit or the Residential Section including the so-called "punch list items" or (b) other Residential Units or (c) portions of the Common Elements have not been completed. The Sponsor, however, will remain obligated to complete construction in accordance with the Plans and Specifications as provided in the Plan.

A Purchaser will be required to examine his Residential Unit with the Sponsor's representative during normal business hours prior to the title closing for his Residential Unit and will be obligated to sign and deliver to the Sponsor at or before the closing an Inspection Statement in the form set forth in Part II acknowledging the condition in which he has received his Residential Unit.

If there are encumbrances (other than Permitted Encumbrances) affecting the Property at the time of the Closing Date under the Plan, the Sponsor, except as set forth below or as otherwise provided in this Plan, shall cause such encumbrances to be cured on or before the Closing Date or within a reasonable time thereafter.

CLOSING COSTS AND ADJUSTMENTS

Estimated Closing Costs and Adjustments

Summarized below are the estimated closing costs and expenses to be borne by each Purchaser of a Residential Unit:

(1) Cost of Title Insurance. If the Purchaser orders title insurance then he will have to pay the premium for such title insurance. The premium will vary depending on the Purchase Price of the Residential Unit. Such premium shall be based upon the following rates which are currently in effect as follows for: (a) fee title insurance: $382.00 for the first $35,000 or less of fee insurance, plus $6.34 for each $1,000 (or fraction thereof) of additional fee insurance from $35,001 to $50,000, plus $5.16 for each $1,000 (or fraction thereof) of additional fee insurance from $50,001 to $100,000, plus $4.14 for each $1,000 (or fraction thereof) of additional fee insurance from $100,001 to $500,000, plus $3.78 for each $1,000 (or fraction thereof) of additional fee insurance from $500,001 to $1,000,000, plus $3.48 for each $1,000 (or fraction thereof) of additional fee insurance from $1,000,001 to $5,000,000. (b) if a mortgage title insurance policy is simultaneously issued with the fee title insurance policy: (i) $98.00 for the first $35,000 or less of mortgage title insurance, plus $4.59 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $35,001 to $50,000, plus $1.30 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $50,001 to $100,000, plus $1.04 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $100,001 to $500,000, plus $0.95 for each $1,000 (or fraction thereof) of additional mortgage title insurance from $500,001 to $1,000,000, plus $0.87 for each $1,000 (or fraction thereof) of additional mortgage title e insurance from $1,000,001 to $5,000,000.

(2) Recording Fees and Transfer Taxes. Each Purchaser will have to pay (a) the fee for recording the deed covering the Residential Unit and the power of attorney in favor of the Board of approximately $95.00 for the deed and $65.00 for the power of attorney plus a $10.00 document service charge (based on a rate of $17.00 plus $5.00 per page, plus $50.00 in addition for the deed since it will be accompanied by a New York City real property transfer tax return and a RP-5217NYC Form), (b) for Residential Units, the New York City real property transfer tax of 1.0% (or 1.425% if the Purchase Price is greater than $500,000) of the Purchase Price (plus any portion of such tax and the New York State real estate transfer tax paid by the Purchaser), and (c) the New York State real estate transfer tax of (i) $2.00 per $500 (or fractional portion thereof) of the Purchase Price (plus any portion of such tax and the New York City real property transfer tax paid by the Purchaser) if the consideration is less than $3,000,000, or (ii) $3.25 per $500 (or fractional portion thereof) of the Purchase Price (plus any portion of such tax and the New York City real property transfer tax paid by the Purchaser) if the consideration is $3,000,000 or more. Pursuant to Section 11-2104 of the New York City Administrative Code and Section 1404(a) of the New York Tax Law, the New York City real property transfer tax and the New York State real estate transfer tax would be (in the absence of any provision, such as is provided in this Plan, for the Purchaser to pay such tax) the obligation of the seller in connection with the transfer by the seller of the Residential Unit to a purchaser, although such purchaser is liable for such tax if the seller fails to pay it. While the New York City and New York State transfer taxes are customarily paid for by the seller in condominium unit transactions, the Sponsor is transferring its statutory obligation to pay transfer taxes to Purchasers. As is common in many other condominium developments in New York State, the Purchase Agreement provides that the Purchaser of a Residential Unit will be required to pay these transfer taxes at the closing. Both New York State and New York City have taken the position that where a Purchaser pays either or both of these taxes, such payment constitutes additional consideration to the seller and must be considered in computing the tax due. A Purchaser of a Residential Unit priced at $1,850,000.00 would

pay approximately $33,763 for transfer taxes. In addition, if the Purchaser pays $1,000,000.00 or more for one or more Residential Units, the Purchaser will be obligated to pay the additional 1% transfer tax (known as the "Mansion" tax) and if the Purchase Price is (i) $2,000,000 but less than $3,000,000 a supplemental tax of 0.25% on the total consideration, (ii) $3,000,000 but less than $5,000,000, a supplemental tax of 0.50% on the total consideration, (iii) $5,000,000 but less than $10,000,000, a supplemental tax of 1.25% on the total consideration. See **"Special Risks."**

(3) Loan Closing Costs. If the Purchaser of a Residential Unit obtains a purchase money first mortgage loan from a lending institution, then he will customarily pay at the closing of title the following additional costs: (i) mortgage recording tax in the amount of approximately: (a) 2.05% of the mortgage if it is less than $500,000, minus a $30.00 deduction if the mortgage states that it covers a one or two family dwelling (although the aggregate mortgage recording tax is generally 2.05%, Chapter 788 of the Laws of 1978 provides that a portion of said tax equal to .25% of the mortgage shall be paid by the lender in certain cases); or (b) 2.175% of the mortgage if the mortgage equals or exceeds $500,000, minus the $30.00 deduction, and if the mortgage states that it covers a one or two family dwelling, subject to the obligation of the lender to pay a portion of said tax equal to .25% of the mortgage in certain cases, as aforesaid; (ii) the premium for the mortgage title insurance policy discussed above; (iii) mortgage recording fees based on the rates discussed above; (iv) the lending institution's attorneys' fees pertaining to the mortgage; (v) the lending institution's appraiser's fees; and (vi) origination or other fees. In addition, the Purchaser may be required by the lending institution to deposit monthly with the lending institution a reserve for the payment of real estate taxes and insurance premiums commencing with the date of closing of title to the Residential Unit. The amount of the deposit will be a multiple of the estimated monthly real estate taxes and insurance premiums and will vary in accordance with the date of closing of title to the particular Residential Unit. The Sponsor makes no representation as to what additional closing costs may be charged by a particular lender. See "**Procedure to Purchase**" for details as to fees payable to the Mortgage Broker.

(4) Late Fee. If the Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date, and (ii) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to .03% times the unpaid portion of the Purchase Price for his Residential Unit for each day's delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date, and (iii) pay the service fee of Sponsor's attorney of $350 for each default letter and $350 for each notice sent to such Purchaser to reschedule the Closing. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default. See **"Special Risks."**

(5) Mortgage Recording Tax Credit. To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Residential Unit or the Property, the Purchaser shall pay to the Sponsor at the closing for such Residential Unit the amount of any such credit.

(6) Working Capital Fund Contribution. A Working Capital Fund for the Condominium shall be established as follows: Upon the closing of the purchase of a Residential Unit, the Purchaser will be required to pay to the Condominium an amount equal to two months' common charges for such Residential Unit ("Residential Unit Working Capital Fund Contribution") as initial working capital. This contribution is not refundable or transferable if the Purchaser sells his Residential Unit. In the event that

Sponsor, prior to Closing, has made the Working Capital Fund Contribution for the Residential Unit, Purchaser shall reimburse such contribution to Sponsor at Closing.

(7) Closing Adjustments. At the closing for any Residential Unit, adjustments will be made between Sponsor and each Purchaser with respect to (a) real estate taxes and any assessments, on the basis of the period for which assessed, (b) common charges for the month in which title closes, (c) accrued rent and any other charges pursuant to the lease to the Purchaser, if any, covering the Purchaser's Residential Unit and (d) water charges and sewer rents if separately assessed. Each Purchaser shall pay to the Sponsor the amount of any net adjustments in favor of Sponsor. All adjustments shall be made between the Sponsor and the Purchaser as of the midnight preceding the date for the closing of title fixed in the original notice of closing for such Residential Unit by the Sponsor, whether or not title actually closes on that date, unless the closing is adjourned at the Sponsor's request. If a Residential Unit has not then been separately assessed for the current tax fiscal year, the apportionment of taxes for such Residential Unit shall be based upon the then existing assessment for the Land and the Building (times the then applicable tax rate) multiplied by the percentage of Common Interest in the Common Elements appurtenant to the Residential Unit as shown in Schedule A, divided by the aggregate of the Common Interests of all Residential Units at the Property subject to such real estate taxes. If the real estate taxes have not yet been paid for the current fiscal year in which the Closing Date for a Residential Unit occurs, then, at the Sponsor's option, the Purchaser of such Residential Unit will pay his proportionate share of such real estate taxes (for such then current fiscal year) to the Sponsor on the date on which title closes, and the Sponsor will then be responsible for payment of such amount paid by the Purchaser to the Sponsor on account of real estate taxes for the then current tax fiscal year. Until separate tax bills are issued with respect to the Residential Units, real estate taxes and any assessments shall be a Common Expense, except to the extent an apportionment is made as provided above, and the Board shall pay such taxes and any assessments to the appropriate local taxing authority.

(8) Each Purchaser will be responsible for the fees and expenses of his own attorney if he chooses to retain one.

(9) Each Purchaser shall be required to pay to the Sponsor or Sponsor's attorneys a fee for each Residential Unit purchased which will cover the legal and other fees and expenses of processing the sale of the Residential Unit at the same time as the balance of the Purchase Price for the Residential Unit is due and payable under the Plan as follows:

(a) Basic fee for closing of sale, with or without financing (including, without limitation, preparation of the Residential Unit Deed and Power of Attorney and coordinating and attending the closing as set forth in the Plan) -- $3,000.

(b) Additional attendance fee if, at the request of Purchaser, the closing does not occur at the Property, a location designated by Sponsor, or Sponsor's attorney's office--$750 (in no event shall Sponsor be required to close at a location outside of New York City).

(c) Additional fee if the closing is adjourned due to either the fault of Purchaser or at Purchaser's or Purchaser's lender's request -- $500 for each time closing is so adjourned.

(d) If a purchaser defaults under a Purchase Agreement, $750 for each default letter sent by Sponsor's attorney.

(e) If a purchaser assigns a Purchase Agreement (subject to Sponsor's consent thereto), $1,250 for review and attention to such assignment.

Sponsor has designated Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP, 1 MetroTech center, Suite 1701, Brooklyn, NY 11201 [Tel. (718) 215-5300] as the attorneys who will handle each individual Residential Unit Closing.

From and after the closing of title to his Residential Unit, the Purchaser will be obligated for the payment of Common Charges, real estate taxes and assessments, water charges and sewer rents (if separately assessed against the Residential Unit) and all other expenses with respect to his Residential Unit whether or not he has taken possession of his Residential Unit.

The mortgage and fee title policy premiums, the recording taxes and charges and the transfer tax rates set forth above are those in effect as of the date of this Plan, and are subject to change. Each Purchaser shall be required to pay the title policy premiums, recording taxes and charges, deed stamps and any transfer taxes in effect as of the date of the closing of title to his Residential Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Residential Units will be the items described above. If any other items are to be apportioned at closing, the Sponsor will advise the Purchaser in writing of those items at least three (3) days before the closing.

Example of Typical Closing Costs

Assuming that a Purchaser closes title timely and incurs no penalties under the Purchase Agreement, the Closing Costs for a Residential Unit with a Purchase Price of $1,850,000 and a Mortgage of $1,480,000 will be approximately:

Title Insurance	$ 7,239 (Fee)
	$ 1,490 (Mortgage)
Municipal Searches	$ 550
Recording Fees	$ 345
Transfer Taxes	$ 26,844 (NYC)
	$ 7,536 (NYS)
Mansion Tax	$ 18,838
Mortgage Recording Tax	$ 28,460
Working Capital Fund	$ 1,705
Sponsor's Attorneys' Fee	$ 3,000
TOTAL	$ 95,997

The foregoing estimate is in addition to adjustments for common charges and real estate taxes, and the legal fees of Purchaser's Attorney and the Lender's Attorney, if any. Also, Lenders may require certain endorsements on their title insurance policies which could increase the cost of title insurance.

From and after the closing of title to his Residential Unit, the Purchaser will be obligated for the payment of Common Charges, real estate taxes and assessments, water charges and sewer rents (if separately assessed against the Residential Unit) and all other expenses with respect to his Residential Unit whether or not he has taken possession of his Residential Unit.

Expenses of Offering

The Sponsor will pay all of the expenses of creating the Condominium and of making this offering to Purchasers, including the closing costs of the Sponsor in connection with this Plan, except for such closing fees to be paid by Purchasers as may be described above and in the other provisions of this Plan. For the most part, these costs paid by the Sponsor include legal and other professional fees incurred in connection with the preparation of this Plan, filing fees incurred in connection with submissions to the Department of Law, recording fees for the Declaration, selling commissions of brokers engaged by the Sponsor, and advertising and reproduction costs of the Sponsor.

Closing Adjustments Between Sponsor and Residential Board

The Sponsor will be responsible for all the required operating expenses of the Property accruing prior to the date of the closing of title to the first Residential Unit pursuant to the Plan. The Condominium shall be required to pay all operating expenses of the Property accruing on or after the date of the closing of title to the first Residential Unit pursuant to the Plan. See the Section of the Plan entitled "**Working Capital Fund**" for a discussion of the apportionments between Sponsor and the Residential Section at the time of the First Closing.

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Right to Rent Rather than Sell Residential Units

Sponsor intends, in good faith, to sell rather than rent the Residential Units in a timely manner. However, under this Plan due to the unpredictability of the real estate market, Sponsor has reserved the unconditional right to rent Residential Units rather than to sell them after the Plan has been consummated. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium. In addition, Sponsor may sell Residential Units to investors. It should be noted that owner-occupants and investors, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their differing reasons for purchasing, i.e., the purchase of a home as opposed to an investment. See "**Special Risks.**"

Sponsor's Construction Obligations

No bond or other security has been furnished to secure performance of the following obligations.

Sponsor has undertaken the following obligations in connection with the construction of the Residential Units:

1. Sponsor will, at Sponsor's sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, which are necessary to complete the construction of the Residential Units substantially in accordance with the description contained in "Description of Property and, Specifications" contained in Part II of the Plan. Sponsor has the right to substitute equipment and/or materials and make modifications of layout and/or design, provided, however, that Sponsor may not: (a) substitute equipment or materials of lesser quality or design; or (b) change the size, location of buildings or Residential Units, or other improvements or Common Elements if such changes affect the percentage of common interests or adversely affect the value of any Residential Unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected Residential Unit Owners and contract vendees consent in writing to such change.

2. Sponsor will cause any mechanic's liens arising out of the improvements to the Residential Units to be discharged on or prior to the First Closing Date, or in the alternative Sponsor may elect to make arrangements with the company insuring the Purchaser's title to the Residential Unit or the Title Company to affirmatively insure against collection thereof out of, or enforcement against the Residential Unit or any portion thereof by providing an indemnity, posting a bond or escrowing a sum deemed sufficient by such company or the Preferred Title Company.

3. If, by the First Closing Date under the Plan, only a temporary Certificate of Occupancy for a Residential Unit for which title has closed shall have been issued, then the Sponsor will use all reasonable diligence to cause the local building department to renew continuously the temporary Certificate of Occupancy ("**TCO**") until the permanent Certificate of Occupancy covering all Residential Units offered under this Plan shall have been issued. Sponsor and its principals will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy. Prospective purchasers are advised that a permanent Certificate of Occupancy is required for permanent use of the Building.

A temporary Certificate of Occupancy may only be renewed, pursuant to current laws and practices, for a total of up to two years from the date of its original issuance. If the temporary Certificate of Occupancy shall have expired prior to issuance of a permanent Certificate of Occupancy, occupancy of the Residential Units will be a violation of law, subjecting the occupants to legal penalties, including possible eviction of occupants. The Sponsor and its principals are obligated under this Plan to procure the permanent Certificate of Occupancy and anticipates obtaining a permanent Certificate of Occupancy for the Property by no later than two years from the First Closing Date and shall use reasonable efforts to obtain same.

Neither the Residential Board of Managers nor any Residential Unit Owner shall make any alterations to the Common Elements or a Residential Unit until a Permanent Certificate of Occupancy is obtained for the Residential Section without first obtaining Sponsor's prior written consent, which may be granted or denied in Sponsor's sole discretion. Such consent shall be denied if such alterations would result in a delay or prevent the issuance of a Temporary or Permanent Certificate of Occupancy for the Residential Section, or any amendment to, or extension of, any Temporary or Permanent Certificate of Occupancy previously issued. If the Residential Board of Managers or any Residential Unit Owner commences any such alterations in violation of this Section, Sponsor shall have the right to (i) have such work halted, including, without limitation, to have the Managing Agent or Residential Board of Managers deny access to the Building to the Residential Board of Manager's or Residential Unit Owner's workers and suppliers, and (ii) perform any and all work in and to the Common Elements or Residential Unit as shall be necessary in Sponsor's sole judgment, in order to avoid any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Residential Units (or any amendment to, or extension of, any Temporary or Permanent Certificate of Occupancy), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by or on behalf of the Residential Board of Managers or Residential Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by the Residential Board of Managers or such Residential Unit Owner, as the case may be, and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefore. See "**Special Risks**." Purchasers should note that even if the first closing occurs on or before July 1, 2020 (or such other date projected as the date of commencement of operation at the time the purchase agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent Residential Units may be substantially delayed beyond such dates if a TCO has not been issued for such Residential Units or for the floor on which such Residential 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 Residential Unit. PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITY OF SUCH DELAYS IN THE DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. **SEE THE "SPECIAL RISK'"SECTION**.

If a permanent Certificate of Occupancy for the Residential Units has not been issued as of the date of the closing of the first Residential Unit and the Sponsor has obtained at least a temporary Certificate of Occupancy for the Residential Units, the Sponsor will cause to continue to be held in escrow all monies previously deposited and being held in escrow pursuant to Section 352-e(2-b) of the General Business Law unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be

released to the Sponsor. Upon the issuance of the permanent Certificate of Occupancy, such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond or maintain unfunded, a portion of the construction loan available to Sponsor for construction purposes in the amount certified by Sponsor's engineer or architect. In such case, Sponsor shall have the right to draw down remaining portions of said construction loan available to Sponsor for construction purposes, provided the unfunded portion thereof is, at all times no less than the amount that Sponsor's architect, engineer or construction manager certifies is adequate to complete the work necessary to obtain a permanent Certificate of Occupancy.

Notwithstanding the foregoing, in the event that Sponsor decides to close title to Residential Units prior to obtaining a permanent certificate of occupancy, Sponsor shall first file an amendment to the Plan with the Department of Law containing the following information:

a. A representation that the Department of Buildings has only issued a temporary certificate of occupancy for (portions of) the condominium. A copy of the temporary certificate of occupancy shall be included as an exhibit to the amendment.

b. A representation from sponsor that either:

   i. **All** of purchasers' deposits will be held in conformity with the provisions of GBL § 352-e(2-b) and 13 NYCRR § 20.3(t)(13) until sponsor procures a PCO for the entire condominium; or

   ii. Sponsor has funded a PCO Escrow Account from monies other than purchasers' deposits to secure its obligation to procure a PCO and to comply with GBL § 352-e (2-b) and 13 NYCRR § 20.3(t) (13).

c. A complete list of any mechanics' or materialmens' liens that encumber any or all of sponsor's interests in the condominium that must be satisfied before the relevant local authority will issue a PCO.

d. The identity of the escrow agent holding the funds in either the special escrow account or the PCO Escrow Account, and all persons with signing authority for that account. A complete copy of the agreement as executed by sponsor and escrow agent shall be included as an exhibit to the amendment. Any amendments to the escrow agreement must be disclosed in a subsequent amendment to the Plan.

e. The name, address and phone number of the financial institution holding the special escrow account or PCO Escrow Account, and description of any subaccounts. If Sponsor has an interest in the financial institution, that interest must also be disclosed.

f. The current balance of the special escrow account or PCO Escrow Account as of the date of the submission of the amendment.

g. If Sponsor's architect or engineer of record, in a professional opinion letter sealed by said professional, certifies that a lesser amount than that being held in the special escrow account is reasonably necessary to obtain a PCO, Sponsor shall attach that professional opinion as an exhibit to the

amendment.

h. Only after (i) the amendment has been accepted for filing by the Department of Law, and (ii) a PCO Escrow Account has been created and funded in the amount certified by the architect or engineer of record, shall escrow agent release any monies from the special escrow account to sponsor or any other person or entity.

i. Only a certified professional opinion letter from Sponsor's architect or engineer of record that closely conforms with the form attached in Part II of this Plan as Exhibit I shall be acceptable for filing by the Department of Law.

4. The Sponsor will deliver and assign to the Residential Board upon the recording of the Declaration all manufacturers' and contractors' heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Common Elements, if any, to the extent made by such manufacturers and contractors and to the extent such warranties and bond are assignable. Sponsor will deliver to the Residential Board a copy of any building plans it may file with the Department of Buildings. At or prior to the closing of each Residential Unit, Sponsor shall deliver and assign to the Purchaser any manufacturer's warranties with respect to equipment and appliances installed in such Residential Unit to the extent made by the manufacturer and to the extent such warranties are assignable. The Sponsor shall not be obligated to assign any warranties which are not assignable or that have not been delivered to the Sponsor, or that relate to any Common Elements that have not been completed by the Sponsor.

5. This Offering Plan is subject to The New York State Housing Merchant Implied Warranty (General Business Law Article 36-B) which applies to new single family homes or new for-sale units in a multi-unit residential structure of 5 stories or less in which title is transferred to Owners under a condominium or cooperative regime. Pursuant to the terms of this law, Sponsor is giving a Limited Warranty to Purchasers which provides for a Limited Warranty on certain items. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first buyer of a Residential Unit only; Sponsor's liability is limited to 50% of the Purchase Price of the Residential Unit exclusive of all options and less any insurance proceeds received by Purchaser; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor. The Limited Warranty provides the following coverage for the Residential Units:

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

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or

(d) defective installation of appliances sold as part of the Residential Unit by the Seller or an agent, employee or subcontractor of the Seller.

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

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

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller; or

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller.

As permitted under the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, the Sponsor excludes the specific warranties set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, and instead is providing each Purchaser with the Limited Warranty. See the complete terms of the Limited Warranty contained in the Rider to the Purchase Agreement and Article 36-B of the General Business Law, both of which can be found in Part II of the Plan.

To the extent any coverage under the Limited Warranty applies to the Residential Common Elements of the Condominium, such coverage shall be deemed given to the Residential Board of Managers of the Condominium.

Regarding the Residential Common Elements of the Condominium, the Sponsor will correct any defects in the construction of the Residential Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within twelve (12) months from the date of substantial completion of the defective portion(s) of the Residential Common Elements. The quality of construction shall be comparable to local standards customary in the particular trades and in accordance with the plans and specifications. In no event shall the Sponsor be responsible for the partial or total death of any trees, shrubs, bushes or other landscape improvements; damage to walkways or other concrete areas caused by the application of salt or deicers; normal settlement cracks on patios, sidewalks, other flat work; patios, sidewalks, basement leaks resulting from acts of God or alteration of landscaping or grading (whether performed by the Condominium or a Residential Unit Owner); drainage problems as a result of poor soil or as a result of alteration of landscaping or grading (whether performed by the Condominium or a Residential Unit Owner); leakage resulting from “ice dams” forming on roves; spilling or flaking of concrete surfaces if ice melting compounds have been used; shading variations of the exterior siding (in the face surface or grooves), and shading variations on facias from staining. The Sponsor has no obligation to make any repair to the Residential Common Elements except as expressly set forth in the Offering Plan.

Notwithstanding the foregoing, Sponsor shall not be responsible for correcting or repairing any defects in construction or defects in the installation or operation of any appliances (including, without limitation, kitchen appliances and washers and dryers), equipment or fixtures with respect to which warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others, are delivered and/or

assigned to either a Residential Unit Owner or the Residential Board. Also, Sponsor's undertaking to correct defects as described above, runs only to Residential Unit Owners who have purchased a Residential Unit from Sponsor. It does not run to Owners who purchased Residential Units on resale by other Residential Unit Owners.

In addition, in no event shall Sponsor be responsible for any condition resulting from normal wear and tear or natural deterioration or from the normal shifting or settling of the Building, or for any defects of insubstantial nature, including but not limited to partial or total death of any landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking due to weather, door warpage, tile, marble and granite grouting, separation in joints of tile, marble, granite or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any consequential damage resulting from settlement or normal plumbing, heating and air conditioning noises, or carpet discoloration and stretching. In addition, Sponsor shall not be responsible for paint touch-ups, or for repair of chips, mars, breaks or other defects in window sashes, electric fixtures, interior painted surfaces, sinks, tubs, bowls, bidets (if any), cabinets, countertops, vanity tops and bases, doors, mirrors, hardware, flooring or appliance cabinets, unless notified of any such defect therein prior to closing of title to the Residential Unit in question or the leasing of the Residential Unit to the Purchaser thereof and Sponsor agreed to repair such items. Sponsor has no obligation to make any repair to the Residential Units or the Common Elements, except as expressly set forth in this Offering Plan. Nothing contained herein shall be construed to render Sponsor liable for consequential damages, whether based on negligence, breach of contract, warranty or otherwise (except as Sponsor may be liable for by law).

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any defect or condition in any Residential Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied.

Notwithstanding anything to the contrary in the foregoing discussion, both Residential Unit Owners and the Residential Board of Managers shall be obligated to permit Sponsor and its contractors and agents access to Residential Units and the Residential Common Elements at the request of Sponsor and/or its contractors and agents, in order for Sponsor to complete construction in accordance with this Plan.

References in this Section or elsewhere this Plan to excluded repairs or excluded conditions with respect various items listed shall not be construed to imply an obligation on the part of Sponsor to do any work, improvement or construction or to install any equipment, fixtures or appliances or other items except, in each case, as expressly provided in "**Description of Property and Specifications."**

The Sponsor reserves the right to amend the Plans and Specifications and to make changes in the materials, appliances equipment and fixtures if (a) required or approved or accepted by governmental authorities having jurisdiction over the Property or by the Sponsor's architect; or (b) required by job conditions, local shortages or unavailability or materials; or (c) ordered by a Purchaser for his Residential Unit without affecting Residential Units previously sold. Changes or substitutions in materials, appliances, fixtures and equipment may also be made by the Sponsor provided that such substitutions are of substantially equal or better quality. However, the Sponsor may not change the size, the location of the Building, other capital improvements, or the Residential Common Elements if any such change materially adversely affects the value of any Residential Unit either to which title has closed, or for which a Purchase Agreement has been executed and is in effect, unless all of the directly affected Residential Unit Owners consent in writing

to such change and all directly affected contract vendees are given the right to rescind and receive a refund of their Down Payments. All the foregoing amendments, modifications and changes to the Plans and Specifications may be made without prior notice or amendment to this Plan. Notwithstanding anything to the contrary contained in the Plan (i) no change will be made in the size or number of Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by amendment to the Plan and, when applicable, to the Declaration; (ii) unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default; and (iii) unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of insubstantial variations in the dimensions or arrangement of rooms, walls or other areas within Residential Units, or in the Plans and Specifications, or in the description of the Building or a Residential Unit set forth in the Plan.

Except as otherwise provided in this Plan, where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and decision of the Sponsor shall be determinative.

Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, in its or their sole discretion, shall select the method of correcting any defect to be corrected under this subparagraph 5. On three (3) days' notice from Sponsor and/or its General Contractor, and/or the pertinent contractor or subcontractor, the Residential Unit Owner, Purchaser or the Residential Board, as applicable, shall allow Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Residential Unit or area in question on any weekday to inspect and/or correct such defect. The quality of construction shall be comparable to local construction standards customary in the particular trade in question and in accordance with the Plans and Specifications.

Sponsor shall be deemed to have discharged any commitment it may have made or be deemed to have made with respect to curing defects, if (i) Sponsor is not notified of the defect, or (ii) the Residential Unit Owner, Purchaser or Residential Board, as applicable, prevents Sponsor, Sponsor's contractors, agents or licensees and/or the Managing Agent access to the Building and/or the Residential Unit where corrective work has been requested, or (iii) Sponsor shall have corrected or caused to be corrected the defect in accordance with the practice of the industry as said practice is determined by Sponsor's General Contractor or architect or engineer, in its sole discretion.

The Limited Warranty attached to the Purchase Agreement includes performance and quality standards by which it will be determined whether the Residential Unit has a problem covered by the Limited Warranty and Sponsor’s obligation to correct such problem.

Sponsor is installing pe-engineered white oak floor assembly in the Units which will have a 1 mm wear layer and a High Performance Commercial Grade UV Cured finish. The material can be screened (buffed, but sanding may result in a loss of grain. The room temperature must be within a range of 60-80F, with relative humidity in a range of 30-50%. These environmental conditions are specified as pre-installation requirements and should be maintained for the life of the product. Environmental conditions outside of these parameters could result in product performance problems that would not be covered under any warranties.

Problems with moisture or dryness: Warranties do not cover damage or defects caused by wet wetting or the presence of excessive moisture, or by conditions which are too dry. Flooding, acts of God, plumbing accidents, leaking appliances (icemakers, dishwashers, clothes warmer etc.) are not covered by any warranty. See written installation instructions for more details. Movement due to moisture changes, including construction method or materials, plumbing, or other trades and weather or natural disasters is excluded from any warranty. Examples of problems arising from moisture include, but are not limited to: cupping or crowning, changes in width, thickness and length, checking and splitting. The use of humidifier/dehumidifier may be necessary to maintain the proper humidity level between 30%-50%.

Excessive Lighting: Limited warranties do not cover damages or defects, including, but not limited to, color change caused by excessive sunlight or intense lighting. Excessive sunlight or intense lighting can cause color changes in the finished product. Additionally, due to the effects or excessive sunlight or intense lighting, new and/or replacements plank flooring may not match display samples and/or existing flooring. Wood flooring will undergo color changes due to the effects of natural and artificial light. These changes are not covered under the warranty. Area rugs and furnishings may shield the floor from light resulting in uneven coloring. These color changes also preclude matching new flooring to previously installed flooring. See **"Description of Property and Specifications".**

Except as expressly set forth herein, Sponsor has no obligation to correct or repair any defect or condition in any Residential Unit, the Common Elements, or the Building or in any installation, apparatus, fixture or appurtenance. The foregoing provisions set forth Sponsor's entire responsibility with respect to corrections and repairs and none other shall be implied.

Sponsor reserves the right to make any changes in the proposed Residential By-Laws, Amended and Restated Declaration and the Floor Plans for the Residential Section, and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Residential Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Residential Unit Owner or Purchaser, increase any obligation of a Residential Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or material shall be of substantially equal or better quality. In connection with the foregoing, Sponsor shall at all times comply with applicable laws and regulations, including those promulgated by the New York State Attorney General. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of insubstantial variations in the dimensions or arrangement of rooms, walls or other areas within Residential Units, or in the Plans and Specifications, or in the description of the Building or a Residential Unit set forth in the Plan.

Except as otherwise provided in this Plan, where alternatives are specified or where a particular practice, method, or design of construction, equipment, material or supply is not specified, the choice and decision of the Sponsor shall be determinative.

Sponsor shall deliver a set of "as-built" construction plans to the Board of Managers.

Sponsor's Right of Access

Sponsor and its designees, contractors, subcontractors, agents and employees will have a right of access to the Property, each Residential Unit and all of the Common Elements, including the Residential Common Elements and the Residential Limited Common Elements, for purposes of performing repairs or construction work or improvement to the Building or Residential Units or any part thereof, completing the improvements to the Building or performing alterations and repairs in or about Residential Units owned by the Sponsor or its designees or in fulfilling Sponsor's obligations under the Plan or for any lawful purpose, provided (i) Sponsor repairs any resulting damage to the Residential Unit or Common Elements, as the case may be, and restores it to substantially the condition it was in prior to Sponsor's entry and (ii) Sponsor provides reasonable prior notice to the owner of the Residential Unit to which access is required or the Residential Board in the case of the Residential Common Elements.

The Sponsor and its designees, employees and agents will also have the general right to perform all activities at the Condominium in connection with a program to sell or lease all or any portion of or interest in the Property. For example, the Sponsor will have the right to show the Condominium and model Residential Units to prospective Purchasers, to maintain model Units and a sales or leasing office at the Condominium and to post signs in connection therewith.

Prior to the Plan being declared effective, Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Residential Unit Owner, any non-material portion of the Residential Common Elements for the exclusive use of such Residential Unit Owners provided that such Residential Common Element was not offered in the Plan as any amenity for the shared use of the Residential Unit Owners of the Condominium. After the Declaration has been recorded, such rights shall be subject to the consent of the Residential Board of Managers. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if required.

Sponsor shall have an exclusive right and easement which shall be revocable at the election of the Residential Board (i) to erect, use, lease, maintain repair, replace and operate (a) antennae, satellite dishes and other communication equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Residential Section and elsewhere on the Residential Common Elements (excluding Terraces and Storage Bins appurtenant to Residential Unit(s)) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and /or repair any sign and/or lighting permitted by Law on the Residential Section for the purpose of advertising the sale of any Residential Unit, the leasing of space in any Residential Unit or the operation of any business of a tenant or occupant of any Residential Unit. In order to effectuate Sponsor's use of the Residential Common Elements, as described above, Sponsor shall first enter into a license agreement with the Residential Board that shall be revocable at the Residential Board's election. Such license agreement shall be between the Residential Board and the licensee although Sponsor shall have the right to collect any licensing fees (as well as initiation fees, if any) until such time as the Residential Board terminates such agreement. Upon such termination, any fees payable by the licensee would then be payable to the Residential Board.

For additional special rights of Sponsor under the Declaration with respect to the combining and splitting of Residential Units, designation of Limited Common Elements and other matters, please See **"Rights And Obligations Of Unit Owners And Board Of**

Managers; Summary of By-Laws" and the copy of the Declaration and By-Laws contained in Part II of the Plan.

Sponsor's Liability

Except for the Sponsor's obligations to pay Common Charges and to perform other duties as a Residential Unit Owner with respect to the Residential Units that shall remain unsold from time to time (for so long as Sponsor owns same) and except as otherwise expressly provided in the Plan, the provisions contained in this section entitled "Rights and Obligations of Sponsor" sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Purchasers relative to their Residential Units under their respective Purchase Agreements.

The Sponsor makes no undertakings or warranties except as hereinabove set forth and none should be implied. The Sponsor does not warrant or guarantee the materials, workmanship or any other aspect of the Residential Units or the Common Elements (or Limited Common Elements), any personal property or any portion thereof, except to the extent expressly provided in this Plan.

The Sponsor has reserved the right to transfer or sell the Residential Units owned by the Sponsor or its designees to any person or entity as Sponsor may elect (including, without limitation, in bulk to investors) and otherwise liquidate its assets at any time.

Notwithstanding the foregoing limitations on Sponsor's liability, Sponsor's obligation is not, and shall not be, less than a duty to perform its work at the premises in accordance with all applicable codes, filed plans and specifications, if any, and in accordance with locally accepted building practices for items which are not covered by applicable codes. Any conflict between the disclaimers and 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. Any exclusion or modification that does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such standard, a locally accepted building practice, shall be void as against public policy.

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE SPONSOR'S OBLIGATIONS UNDER THE PLAN INCLUDING WITHOUT LIMITATION THOSE OBLIGATIONS SPECIFIED IN THE "**RIGHTS AND OBLIGATIONS OF SPONSOR**" SECTION HEREOF. SEE **"SPECIAL RISKS."**

Indemnity of Condominium by Sponsor and Assumption by Condominium

The Sponsor shall defend any suits or proceedings arising out of Sponsor's acts or omissions and shall indemnify and hold the Residential Board and Residential Unit Owners harmless from any costs, expenses, claims, suits or proceedings with respect to the Property arising out of the Sponsor's acts or omissions or default prior to the Closing Date in performing its obligations under the Plan or the representations made by the Sponsor in this Plan. The Condominium shall assume the performance of all obligations (including payment obligations) of the Sponsor, if any, accruing on or after the date of the closing of title to the first Residential Unit pursuant to the Plan, under the labor, service, maintenance and concessionaire agreements in effect on such date which have been assigned to the Condominium pursuant to the Plan, and shall be responsible for any and all claims, liabilities, costs and expenses arising out of or with respect to such agreements or with respect to the Property and accruing on or after such date. The risk of loss or damage to the Property by fire or other casualty until the date of closing of title of the first

Residential Unit is assumed by Sponsor but without any obligation or liability upon Sponsor to repair or replace the same. Sponsor may, however, at Sponsor's option, elect to abandon the Plan (see "**Effective Date**" section of this Plan) or to repair or replace such loss or damage. If Sponsor elects to replace such loss or damage, then at Sponsor's option, it shall be entitled to reasonable adjournments of the closing.

Survival of Sponsor's Obligations

The Sponsor's obligations and representations under the Plan or under the General Business Law of the State of New York which are to be performed subsequent to the Closing Date shall survive delivery of the deed to a Residential Unit affected by such obligation, for the limited time periods set forth in the Plan.

Sponsor's Obligations for Retained Residential Units

So long as Sponsor retains title to any Residential Units, Sponsor shall pay all Common Charges, special assessments and real estate taxes with respect to such Residential Units. The Sponsor represents that its financial resources will be sufficient to meet its obligations described above in this paragraph and its other obligations under the Plan. Sponsor presently intends to fund such obligations primarily from income from projected sales of Residential Units. However, no bond or other security has been furnished by the Sponsor and the Sponsor's ability to perform its obligations hereunder will depend solely upon its financial condition if and when called upon to perform. No warranty is made that the Sponsor will be financially able to perform any or all of such obligations, provided that if at any time, while Sponsor is making an offering or making sales pursuant to the Plan, Sponsor's financial condition does not permit it to perform its obligations hereunder, Sponsor shall amend this Plan to disclose such change in financial condition and to offer Purchasers with outstanding contracts a right to rescind such contracts and shall cease making sales pursuant hereto until Sponsor's financial condition shall again permit it to perform its obligations hereunder. If Sponsor shall be dissolved or liquidated or shall transfer ten (10) or more Residential Units or twenty percent (20%) or more of the total number of Residential Units in the Condominium, whichever is less, to other than bona fide purchasers for occupancy, Sponsor shall provide one or more financially responsible entities or individuals who will assume the status and obligations of the Sponsor for those Residential Units under the Plan, applicable laws or regulations. As used in the preceding sentence, "bona fide purchaser for occupancy" means a purchaser who purchases a Residential Unit for occupancy by such purchaser or for occupancy by a person related by blood or marriage to such purchaser.

Insurance Described in Condominium Budget

Sponsor shall cause the Condominium to obtain and have in effect as of the First Closing Date the insurance described in the Condominium Budget set forth as Schedule B. Such coverage will provide for sufficient coverage for the insurance company to waive any co-insurance requirement or will contain an agreed amount replacement value provision.

Construction Financing

Sponsor is constructing the improvements at the Property by means, partially, of a series of loans variously entitled "Senior Loan," "Building Loan" and "Project Loan," and similar names all evidenced by notes and secured by mortgages on the Property from Bank OZK (the "Construction Lender") maintaining an office at 8300 Douglas Avenue, Suite 900, Dallas, Texas 75225 (collectively, the "Construction Loan").

Under the Construction Loan and until it is paid in full, Sponsor is not permitted to rent Residential Units without the prior written consent of the Construction Lender which may be granted or denied in the Construction Lender's sole discretion. Sponsor intends to satisfy the Construction Loan from the proceeds of sales of Residential Units. In order to release a sold Residential Unit from the lien of the Construction Loan, the Lender requires payment of a minimum release price calculated according to a formula but in no event less than the net proceeds realized from a sale, which can be generally defined as the all proceeds from the sale of a Residential Unit less closing costs paid by Sponsor in connection with a Closing of a Residential Unit.

The Construction Loan comes due on or about November 30, 2021 (the "Maturity Date")(with the right to one (1) one (1) year extension option which can extend the Term of the Construction Loan to November 30, 2022 (the "Extended Maturity Date")). In the event that the proceeds of sales from Residential Units is inadequate to fully satisfy the Construction Loan by the Maturity Date, or, if Sponsor extends the mortgage, then by the Extended Maturity Date**,** the Construction Lender could take ownership of the Unsold Residential Units and would have the right to rent them or, at its option, to sell them. Sponsor will amend the Plan in the vent that the Construction Loan is not satisfied by the Maturity Date.

CONTROL BY SPONSOR

The Sponsor and any of its designees owning Residential Units:

(i) shall have voting control over the Residential Board until, but no later than, thirty (30) days after the Closing of Title to all Residential Units. Upon such date (the "Transition Date"), so many serving members of the Residential Board elected by the Sponsor and such designees, as shall reduce the number of such members to less than a majority of the Residential Board, shall resign. During the Sponsor Initial Control Period, at all elections of the Residential Board, Sponsor shall have the right to designate a majority (three (3) of five (5)) of the members of the Residential Board and shall have voting control. Sponsor shall also have the right to cast its votes for non-Sponsor-related nominees to the Residential Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Residential Board, and will determine the Residential Common Charges to be paid by all Residential Unit Owners. **SPONSOR MAY CONTROL THE BOARD INDEFINTIELY AND NON-SPONSOR AFFILIATED UNIT OWNERS MAY NEVER GAIN CONTROL OF THE BOARD.** Notwithstanding Sponsor's control of the Residential Board during the Sponsor Initial Control Period, members of the Board owe a fiduciary duty to **all** Unit Owners. If there are non-Sponsor affiliated members of the Residential Board and the issue of whether to sue Sponsor is raised, the Sponsor-related members of the Residential Board cannot lawfully vote on such an issue. See **"Special Risks."** Moreover, the By-Laws do not provide that, after the Sponsor Initial Control Period, a majority of the members of the Residential Board of Managers must be owner-occupants or members of an owner-occupants household who are unrelated to Sponsor and its principals. Consequently, purchasers for owner-occupancy may never gain control of the Residential Board of Managers.

(ii) may not exercise a veto over expenditures (i) which are covered in the budget set forth in Schedule B, and which are for the period covered by said budget, (ii) which are for capital repairs required for the operation

and maintenance of the Residential Section of the Condominium or, (iii) which are required to comply with applicable laws or regulations, to remedy any notice of violation or work order by the insurer with respect to the Property.

Until the sooner of (i) the date on which the Common Interests of all Unsold Residential Units is in the aggregate less than 25% of the Common Interests of all Residential Units, or (ii) the fifth anniversary of the First Closing Date, neither the Residential Board, Board of Managers, nor officers, nor Residential Unit Owners, except upon the written consent of the owners of Unsold Residential Units representing a majority of the Residential Common Interests allocated to all Unsold Residential Units, shall (a) increase the number or change the type of employees described in Schedule B; (b) provide for services other than those described in Schedule B unless the total annual cost of all services to be provided is no greater than the then estimated total cost of the services described in Schedule B; (c) establish reserves or similar funds to undertake any capital or major improvements or additions except as required by law or regulation; (d) remove any members of the Residential Board of Managers nominated by Sponsor, its designees, or by the owners of Unsold Residential Units except for cause, or (e) cause their representatives on the Residential Board of Managers to (i) change the insurance coverage on the Property from the coverage described in Schedule B unless the change does not cause an increase in the total annual insurance premiums then due and payable by the Condominium or unless such change is required by the holder of any mortgage on any Unsold Residential Units or by the insurance carrier insuring the Property to satisfy insurance requirements or (ii) take any action inconsistent with (a), (b), (c) or (d). Nothing contained herein shall prevent the Residential Board from making expenditures, and imposing assessments to pay for them (1) to comply with any applicable law or regulation; (2) in order to correct a violation of record; (3) to comply with an order form an insurance company; or (4) to pay for increased common charges that result from the terms of an elevator maintenance, sprinkler system and/or fire protective alarm system service contract for which there was no charge during the first year of condominium operation but for which such serves were provided during such first year at no charge due to the terms of an installation contract.

Consequences to Purchasers of Sponsor and Investor Control

The Condominium's By-Laws do not require that after the Sponsor's initial control period a majority of the members of the Residential Board of Mangers be owner-occupants who are unrelated to Sponsor. Consequently, owner-occupants may never gain control of the Residential Board of Managers. Prospective purchasers should note that owner-occupants and non-resident owners, such as Sponsor, may have inherent conflicts concerning the management of the Condominium and the Residential Section due to the differing interests of an investor and a homeowner.

In the event that the Residential Board of Managers is comprised of both Sponsor designees and Residential Unit Owners unrelated to Sponsor and in the further event that there is a proposed Residential Board resolution concerning whether or not to sue or bring any action against Sponsor, then in such event, the Sponsor designated Residential Board members may not vote concerning that issue.

The term "designees" as used herein shall mean parties who purchase any Unsold Residential Unit from Sponsor who are designated by Sponsor in writing as such designees with the rights of a Sponsor designee as described in this Plan. Any such designees shall assume the status and all obligations of the Sponsor under the Plan, applicable laws or regulations for such Unsold Residential Units that are purchased by them.

RESIDENTIAL BOARD

The affairs of the Residential Section shall be governed by the Residential Board. The Residential Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Residential Section. The Residential Board shall be entitled to make all determinations with respect to matters relating exclusively to the Residential Section and to the operation, management, repair, maintenance, improvements and alterations to the Residential Section.

The Residential Board shall initially consist of 3 members designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Residential Board designated by Sponsor shall be Martin Nussbaum, David Schwartz and Stephen Krasman, who shall serve as President, Vice President and Secretary/Treasurer, respectively. Messrs. Nussbaum and Schwartz are principals of Sponsor and Mr. Krasman is affiliated with Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Residential Board in lieu of the above-mentioned individuals. The initial Residential Board shall conduct all affairs of the Residential Section. The Residential Board will call the First Annual Meeting to elect a new Residential Board within one (1) year after the First Closing. At such meeting, the incumbent Residential Board shall resign and subject to the rights of Sponsor to designate members of the Residential Board, the Residential Unit Owners (including Sponsor) shall elect and/or designate a new Residential Board consisting of 5 members. The term of office of the members of the Residential Board shall be for 1 year or until their successors are elected. Members of the Residential Board shall serve without compensation. Annual meetings of the Residential Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting.

Any member of the Residential Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Residential Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws" for details.)

A Member of the Residential Board may be removed with or without cause by an affirmative vote of a majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners, provided, however, that any Residential Member designated by Sponsor may only be removed with cause or by Sponsor and Sponsor alone shall have the right to designate a replacement, provided that such replacement occurs during the period of time that Sponsor has the right to designate a member to the Residential Board. No member of the Residential Board shall continue to serve on the Residential Board if, during the term of office, such member shall cease to be a Residential Unit Owner or an interested party as described in the Residential By-Laws; provided, however, that, these provisions respecting Residential Unit ownership and occupancy, and Residential Board membership, shall not apply to members of the Residential Board designated by Sponsor.

A successor officer may be elected at any regular Residential Board meeting or at any special Residential Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Residential Board or upon receipt by the Secretary of a petition calling for such meeting by Residential Unit Owners having in aggregate no less than 50.01% of the Residential Common Interest.

All officers and members of the Residential Board and employees of the Residential Section will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Residential Board. The amount and cost of the insurance has been provided for in Schedule B.

To the extent permitted by Law, members of the Residential Board will have no liability to Residential Unit Owners except for liability for bad faith or willful misconduct. The Residential Board may contract or effect any other transaction with any member of the Residential Board, any Residential Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing provided same conforms to applicable law and regulations, except in the cases of bad faith or willful misconduct. The Residential Board has a fiduciary duty to act in the best interests of the Residential Section. All Residential Unit Owners shall severally, to the extent of their respective interests in their Residential Units and their appurtenant Residential Common Interests indemnify each member of the Residential Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Residential Board.

During the Sponsor Initial Control Period, Sponsor shall have the right to designate the 2 Residential Members to serve as the Residential Section representatives to the Condominium Board. The initial Residential Section representatives on the Condominium Board will be two (2) of Sponsor's designees on the Residential Board.

Upon the expiration of the Sponsor Initial Control Period, the Residential Board shall, by a majority of the votes cast at any meeting at which a quorum is present, designate 2 of its Residential Members to serve as the Residential Section representatives to the Condominium Board; and in the absence of or until such designation, the President and Vice-President of the Residential Board shall serve in such capacity. For as long as Sponsor continues to own at least 1 Unsold Residential Unit, Sponsor shall have the right to designate 1 of the 2 Residential Members serving as representatives to the Condominium Board.

Purchasers should refer to Residential By-Laws set forth in Part II of the Plan for details concerning the eligibility requirements for members of the Residential Board and the powers and duties of the Residential Board and refer to the Section of the Plan entitled "Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws" for a discussion of voting rights and the procedures to amend the Condominium Documents.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board (the "Board"). No member of the Board shall receive any compensation from the Condominium for acting as such member. The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. However, the Residential Board shall be entitled to make all determinations relating exclusively to the Residential Section.

The Board shall consist of three (3) members, 2 of whom shall be designated by the Residential Board and one (1) of which shall be designated by the Non-Residential Unit Owner. The term of office of the members of the Board shall be for one year or until their respective successors have been designated.

Any member of the Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Board, which resignation shall take effect at the time specified therein.

Any member of the Board may be removed from office, with or without cause, by either (i) the Non-Residential Unit Owner with respect to the Non-Residential Unit Board Member, or (ii) the Residential Board or Sponsor with respect to any Residential Board Member as set forth in the Residential By-Laws.

Regular meetings of the Board may be held at such time and place as shall be determined by the Board. At least 4 such meetings shall be held during each fiscal year, unless the members of the Board unanimously agree not to hold such meetings.

All officers and members of the Board and employees of the Condominium, if any, will be insured at all times from and after the recording of the Original Declaration under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in Schedule B.

To the extent permitted by Law, members of the Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Board may contract or effect any other transaction with any member of the Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing provided same conforms to the requirements of applicable law and regulations, except in the cases of bad faith or willful misconduct. The Board has a fiduciary duty to act in the best interest of the Condominium. All Unit Owners shall severally, to the extent of their respective interest in their Units and their appurtenant Common Interest indemnify each member of the Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Board.

Purchaser should refer to the Condominium By-Laws set forth in Part II of the Plan for details concerning the powers and duties of the Board.

RIGHTS AND OBLIGATIONS OF RESIDENTIAL UNIT OWNERS

Sales and Leases of Residential Units

Any Residential Unit Owner may sell or lease his Residential Unit, provided he first gives the Residential Board notice of his intention to sell or lease such Unit and provides detailed information regarding the prospective purchaser or tenant on forms reasonably promulgated by the Residential Board together with documentation reasonably requested by the Residential Board, as more specifically provided in the Residential By-Laws. The By-laws do not give the Board of Managers or Residential Board any right to purchase or lease such Unit, commonly known as a "right of first refusal".

The Boards may not discriminate against any person for any reason proscribed by applicable civil rights laws.

Notwithstanding the foregoing, title to a Residential Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than any mortgages) are paid and satisfied at or prior to closing. The foregoing provision is inapplicable to a conveyance by a Permitted Mortgagee (or its nominee) following foreclosure or a deed in lieu of foreclosure by such Permitted Mortgagee of its mortgage on the Residential Unit. However, a sale by a Permitted Mortgagee or its nominee to a bona fide purchaser shall not be deemed to be a sale to a nominee and any conveyance by such bona fide purchaser shall again be subject to the requirement that all Common Charges and liens against the Unit must be paid or satisfied at or prior to closing.

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

Notwithstanding anything to the contrary contained herein, prior to the Closing of Title to a Residential Unit, the Purchase Agreement prohibits a Purchaser from listing the Residential Unit for sale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or rental without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion.

Use of Residential Units and Common Elements

The Residential Units may be used solely for dwelling purposes only and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law. Not more than one (1) family may occupy a Residential Unit at one time. A Residential Unit may not be used for "dormitory," "bed and breakfast," or other transient hotel-type use. A Residential Unit may only be used only for such purposes that: (i) comply with the Declaration; (ii) comply with Law; (iii) do not violate the Temporary or Permanent Certificate of Occupancy; (iv) is not a prohibited use, as defined in the Declaration; and (v) otherwise has been granted permission for such use by the Residential Board, in its sole discretion.

Residential Limited Common Elements

The Residential Limited Common Elements shall consist of those Common Elements that serve or benefit exclusively a particular Residential Unit and which are identified as a Residential Limited Common Element on the Floor Plans, and/or which are created pursuant to the terms of the Declaration (including, without limitation, the provisions of Section 9 thereof). Residential Unit Owners with exclusive use of a Residential Limited Common Element (including Storage Rooms, Terraces and Balconies) shall be responsible for the maintenance, repair and replacement of all surfaces of such Residential Limited Common Element and the Residential Board shall be responsible for any work that may be required to be performed on portions of the Residential Limited Common Elements that support such surfaces.

Residential Rules and Regulations

The Residential Rules and Regulations annexed to the By-Laws provide, in part, as follows:

(i) no pets other than dogs, cats, caged birds and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Condominium Board or the Managing Agent. Any Unit Owner who wishes to keep more than two pets in his or her Unit shall be required to obtain the prior written consent of the Condominium Board. Each Unit Owner who keeps any type of pet in his Unit will be required to (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium adopted with respect thereto. The Condominium Board may require that pet owners enter into an agreement with the Board confirming such owners' obligations with respect to their pets.

(ii) no sign shall be affixed by any Unit Owner on any part of the outside of the Building, and also no awnings, aerials or other projections shall be attached by any Unit Owner to the outside of the Building, and no blinds, shades or screens shall be used by any Unit Owner on the exterior of any window or door of any Unit, or shall be visible through the exterior windows of any Unit, without, in each case, the prior written consent of the Board, which consent shall not be unreasonably withheld or delayed; The foregoing provisions shall not be applicable to Sponsor.

(iii) each Unit may be used only for dwelling purposes and such "home occupation" use under the Zoning Resolution of the City of New York as may be permitted by law, as provided in the Declaration, the certificate of occupancy for the Building, and applicable zoning law, except that the Sponsor and any affiliates of the Sponsor shall have the right, without charge, (a) to have a general or sales office in one or more Units or elsewhere on the site, to use one or more Units as models and for other promotional purposes in connection with the sale or lease of Units; (b) to have its employees, contractors and sales agents present on the site; and (c) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete the improvement of the Building, to comply with their obligations under this Plan and to develop the Property. There are no other restrictions on the use, resale or mortgaging of Residential Units by Residential Unit Owners.

(iv) Unit Owners shall not cause or permit any disturbing noises or objectionable odors from their Units, or permit or keep in their Units any inflammable,

combustible or explosive material, chemical or substance (except as required in normal professional and business use);

(v) except as provided otherwise in the Declaration, the Common Elements shall not be obstructed or encumbered by refuse or otherwise, or used for any purpose other than (y) ingress or egress to and from the Units and (x) delivering and shipping of merchandise and the like to and from the Units, and the Common Elements shall not be altered or affected by any Unit Owner without the prior written consent of the Board.

Building's Smoking Policy

On August 28, 2018 Local Law 147 ("LL147") went into effect requiring owner(s) of each building in New York City with three or more residential dwelling units to establish a written smoking policy for the building. In the context of condominiums Local Law 147 defines "owner" as the board of managers. The building's smoking policy must address all indoor locations of the premises, including common areas and dwelling units, as well as all outdoor areas of the premises, including common courtyards, rooftops, balconies and patios and any outdoor areas connected to the dwelling units. The building's smoking policy must apply to all its tenants and unit owners and their invitees as well as other persons on the premises. The term "tenant" means a tenant, condominium unit owner, subtenant, lessee, sublessee or other person entitled to the possession or to the use or occupancy of a dwelling unit. A copy of the building's smoking policy must be posted in a prominent location and/or provided to all tenants, and/or unit owners. The building's smoking policy also must be incorporated into any agreement to rent or purchase a dwelling unit, including a dwelling unit in a condominium. Finally, the building's smoking policy must be incorporated into the bylaws or rules of the condominium. Failure by owners to adopt and disclose the building's smoking policy could result in civil penalties assessed by one of several New York City agencies. In addition, failure of any condominium unit owner, or tenant who rents or leases a dwelling unit to another person to disclose the building's smoking policy could result in civil penalties.

807 Manhattan Avenue Condominium is subject to Local Law 147. The Building's smoking policy is as follows: Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in or on all indoor and outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment. See the "**Special Risks**" section of the Plan.

Ownership by Non-Individuals

Any Residential Unit owned by corporations, partnerships, limited liability companies, fiduciaries or other entities may only be occupied (unless otherwise agreed to by the Residential Board in writing) by and individual officer, director, stockholder or employee od such corporation, or by an individual partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing. However, any Purchaser or Unit Owner who is a foreign government, a representative of a foreign government or other person or entity otherwise entitled to diplomatic immunity or sovereign immunity shall irrevocably waive, to the fullest extent permitted by law, any and all immunity from suit or other actions or

proceedings and agrees that, should Seller or any of its successors or assigns or the Board of Managers of the Condominium bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to the Purchase Agreement or under the Condominium Documents, (i) no immunity from such suit, action or proceeding will be claimed or asserted by or on behalf of Purchaser, by way of motion, as a defense or otherwise in any litigation, (ii) no objection to the laying of venue shall be made by Purchaser; (iii) no claim that litigation has been brought in an inconvenient forum shall be made by Purchaser, and (iv) no claim that it is not subject to personal jurisdiction of such courts shall be made by Purchaser. See "**Special Risks**" and "**Purchase Agreement**".

Further restrictions on the use of Units are set forth in the Declaration, By-Laws and in the Rules and Regulations reproduced in Part II of the Plan. The following describes other material provisions of the Declaration, Bylaws and Rules and Regulations which significantly affect the rights and obligations of Unit Owners.

Mortgage of Units by Unit Owners

Each Residential Unit Owner may mortgage his Unit provided that the Board is notified in writing as provided in the By-Laws of the making of such mortgage and the Board receives a conformed copy of the note and mortgage. The By-Laws provide certain rights to the Sponsor or the holder of a mortgage of record ("Permitted Mortgage") against a Unit.

Common Charges - Determination and Assessment

As described in the Condominium By-Laws, the Board shall from time to time, but at least annually, prepare a budget setting forth its projection of General Common Expenses and will assess the Residential Board, in the manner described in the Condominium By-Laws, the General Common Charges necessary to meet the Residential Section's allocated share of General Common Expenses. Certain budgeted items are allocated between the Residential Section and the Retail Unit on a special basis which reflects actual benefit and/or use associated with that particular item or expense or exclusive control of particular Common Elements. The allocated Common Charges payable by the Retail Unit Owner are sufficient to cover the expenses fairly attributable to the Retail Unit. Section 5.1.2 of the Condominium By-Laws authorizes such a special allocation. The special allocation is to be determined in accordance with Schedule H attached to the Condominium By-Laws. Any amendment to the manner of determining the special allocations set forth in the Condominium By-Laws requires a Special Board Majority which is defined to include the member of the Condominium Board elected or designated by the Retail Unit Owner. The financial impact on the Residential Units of the manner of special allocation of items of the Budget in Schedule B is such that the Residential Section and the Retail Unit will pay the Common Expenses fairly attributable to them. (See "**Special Risks**.")

As described in the Residential By-Laws, the Residential Board shall from time to time, but at least annually, prepare a budget setting forth its projections of Residential Common Expenses, including Residential Section allocated share of the General Common Expenses, and will allocate and assess each Residential Unit Owner, in proportion to such Residential Unit's percentage interest in the Residential Common Elements, Residential Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Residential Common Elements, (b) water charges and sewer rents in connection with the Residential Section; (c) amounts for certain other items as the Residential Board may

deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Residential Board of any Residential Unit; and (d) the Residential Section's allocated share of the General Common Expenses.

The Residential Board will furnish copies of the Condominium Budget and the Residential Section Budget to all Residential Unit Owners and advise such Residential Unit Owners of the amount of Residential Common Charges payable by such Residential Unit Owners. Unless otherwise determined by the Residential Board, Residential Common Charges will be payable monthly in advance on the first day of each month. During the Sponsor Initial Control Period, the Residential Board shall have the right, in its sole discretion, to waive Residential Unit Owner obligations to pay Residential Common Charges from and after the First Closing for a period to be determined by the Residential Board, provided Sponsor timely pays the all expenses of the Residential Section (inclusive of insurance premiums and reserves required by lenders) and General Common Charges due to the Condominium Board with respect to the Residential Section. If the Residential Board elects to waive payment of Residential Common Charges pursuant to the foregoing. Sponsor shall disclose in the post-closing amendment to the Plan (i) such waiver of Residential Common Charges, (ii) the anticipated period of time of such waiver ("Waiver Period"), and (iii) Sponsor's obligation to pay the expenses of the Residential Section and the General Common Charges due to the Condominium Board with respect to the Residential Section. In the event the Residential Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. Sponsor will file an amendment to the Plan disclosing the expiration of the Waiver Period prior to such expiration and provide all Residential Unit Owners with at least 30 days prior written notice of the expiration of such Waiver Period and the commencement of payment of Residential Common Charges. Upon commencement of collection of Residential Common Charges from all Residential Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Residential Common Charges were not collected during the Waiver Period. Sponsor shall remain obligated to update the budget for the Residential Section in accordance with the terms of the Plan and the Department of Law's regulations.

The Residential Common Expenses set forth in Schedule B do not include maintenance, repairs or decoration of any of the Residential Units or any portions thereof, payments required pursuant to the terms of the Residential Unit Owners' mortgages, electricity and other utilities consumed within the Residential Unit, and real estate taxes covering the individual Residential Units. However, until the Residential Units are separately assessed, all real estate taxes with respect to the Residential Section will be treated as a Residential Common Expense. See Footnote 5 to Schedule A.

The estimated Residential Common Charges projected for the assumed first year of Condominium operation which will be collected monthly by the Residential Board (based on the Residential Common Expenses as estimated in Schedule B) are set forth on Schedule A. However, additional services which the Residential Unit Owners may desire or other factors can increase these charges. Each Residential Unit Owner will be required to pay a portion of the Residential Common Expenses equal to the product of the percentage amount of his Residential Common Interest, multiplied by the amount of the Residential Common Expenses (except as otherwise provided in Schedule B, the Declaration or By-Laws), which shall be levied as a Residential Common Charge against his Unit.

Collection and Liens for Non-Payment of Residential Common Charges

Under Section 339-z of the New York Real Property Law and the Residential By-Laws, the Residential Board, on behalf of all Residential Unit Owners, will have a lien on

each Residential Unit for unpaid Residential Common Charges, together with interest thereon, assessed against such Residential Unit. Pursuant to the provisions of Section 339-aa of the New York Real Property Law, during the Initial Control Period, Sponsor shall cause the Residential Board to file a lien for unpaid Residential Common Charges against any Residential Unit owned by Sponsor in which Sponsor is more than 30 days in arrears. All such liens, however, to the extent permitted by Law, will; be subordinate to the lien of any first Permitted Mortgage of record, to liens of real estate taxes on the particular Unit and to any liens of the Board for Common Charges.

In addition, as described in the Condominium By-Laws, the Board, on behalf of all Unit Owners, will have a lien on all Residential Units to the extent of the General Common Charges included within Residential Common Charges and such lien shall be superior to the lien of the Residential Board in respect of the remainder of the unpaid Residential Common Charges in respect of such Residential Unit.

Any lien for unpaid Residential Common Charges against a Residential Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The Residential By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Residential Board (acting on behalf of all Residential Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Residential Board to recover unpaid Residential Common Charges without foreclosing such lin. In addition, the Residential Board may assess Residential Unit owners a late charge of $150 per month for Residential Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" therefore collected), plus all expenses of collection, including but not limited to attorneys' fees and costs.

No Residential Unit Owner may become exempt from liability for Common Charges or Residential Common Charges by waiving use of any of the Common Elements or by abandonment of the Residential Unit. No Residential Unit Owner, however, will be liable for the payment of any part of the Residential Common Charges subsequent to a permissible sale, transfer or other conveyance of the Residential Unit. In addition, as more specifically set forth in the Residential By-Laws, a Residential Unit Owner may, by conveying the Residential Unit without consideration to the Residential Board and complying with certain conditions in connection therewith, become exempt from Residential common Charges thereafter accruing. Such conditions include the payment of all Residential Common Charges and assessments then due and payable with respect to the Residential Unit and such Residential Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Residential Board and thereby exempt itself from Residential Common Charges attributable to such Unsold Residential Unit thereafter accruing, unless: (i) the aggregate Residential Common Interests appertaining to the Unsold Residential Units constitutes 15% or less of the total Residential Common Interests then appertaining to all Residential Units; (ii) at least 5 years have elapsed from the date of the First Closing, and (ii) at the time of conveyance. Sponsor shall pay the Residential Board a sum equal to the product of the then current monthly Residential Common Charges for the Unsold Residential Units being conveyed multiplied by 24.

On a resale of a Residential Unit, the purchaser thereof will be liable for the payment of Residential Common Charges accrued and unpaid against such Residential

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

Set forth in Part II of the Plan at Exhibit J is a copy of §339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Residential Board to serve a notice to any tenant occupying a Residential Unit to pay its rent directly to the Residential Board if the Residential Unit Owner has failed to pay Residential Common Charges, assessments or late fees within 60 days after the expiration of any grace period.

Repairs to, and Maintenance of Residential Units, Limited Common Elements, and Common Elements and Residential Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, which are either: (a) in or to any Residential Unit and all portions thereto (including, but not limited to, the interior walls, partitions, ceilings and floors in the Residential Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Residential Unit (including HVAC filters and parts), window panes, fireplace and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air condition units, lighting and electrical fixtures, will be made by the Residential Unit Owner of such Residential Unit at such Residential Unit Owner's sole cost and expense, subject to the restrictions set forth in the By-Laws; (b) in or to the General Common Elements shall be performed by the Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense, (c) in or to the Residential Common Elements shall be performed by the Residential Board and the cost thereof will be charged to all Residential Unit Owners as a Residential Common Expense, provided, however that maintenance, repairs and replacements in and to the condensers located on the roof of the Residential Section servicing an individual Residential Unit shall be performed by and at the expense of the owner of such Residential Unit; and (d) in or to the Residential Limited Common Elements shall be performed by (i) the Residential Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving structural or extraordinary maintenance, repair or replacement, (except if necessitated by the negligent act or omission of the Residential Unit Owner) or (ii) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost ans expense, if

involving painting, decorating, non-structural ordinary maintenance, repairs and replacements.

The Residential Board must obtain the consent of Residential Unit Owners owning Residential Units with aggregate Common Interests in excess of 66 and 2/3 % of the Residential Common Interests of all Residential Units and a Majority of the Mortgage Representatives (as defined in the By-Laws) prior to making any addition, alteration or improvement costing in excess of $100,000 in any fiscal year.

The Residential By-Laws provide, among other things, that each Residential Unit and all portions of the Residential 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 Residential Common Elements and/or Residential Limited Common Elements exposed to the elements) by the Residential Unit Owner or the Residential Board, whichever is responsible for the maintenance thereof. If any Residential Unit Owner fails to keep his Unit in such condition, the Residential Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default (see the heading "Rights of Access" below in this section).

If any maintenance of, replacement of, or repairs to the Property or any part thereof are necessitated by the negligence of any Residential Unit Owner, his tenants or visitors or occupants of the Unit, then the entire cost thereof shall be borne by such Unit Owner.

To promote a consistent appearance of the Residential Section from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in any manner, without the prior written approval of the Residential Board; and (y) all window treatments in a Residential Unit, unless otherwise determined by the Residential Board, must contain white backing on the side facing the outside of the Building so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces, shall be subject to the prior written approval of the Residential Board and shall be in compliance with Law and the Residential Rules and Regulations.

Rights of Access

As more fully set forth in the Declaration, Condominium By-Laws, and Residential By-Laws, the Board, the Residential Board, and any managing agents, managers, superintendents, if any, and other persons authorized by the Board will have a right of access to any Residential Unit for the purposes, among others, of making inspections of, or removing violations of governmental laws or regulations against, any part of the Property, curing defaults under the Declaration and By-Laws, Residential By-Laws and the Residential Rules and Regulations thereunder, or correcting any conditions originating in any Residential Unit and threatening another Residential Unit or any Common Element. The Sponsor, and its designees owning Units, shall also have a right of access to each Residential Unit, the Residential Common Elements or elsewhere on the Property in order to inspect, maintain, repair, replace or alter their Units or the Common Elements (including the Limited Common Elements) as provided in the Declaration, Condominium By-Laws, and Residential By-Laws,. The Condominium Board and its employees shall have such access to each trash room as may be required in connection with the removal of trash. No Unit Owner may impede such access.

Additions, Alterations and Improvements by Residential Unit Owners

Except as permitted in the Declaration, Condominium By-Laws, and Residential By-Laws, no Residential Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, without the prior written consent thereto of the Residential Board, which consent shall not be unreasonably withheld. As more fully set forth in the Residential By-Laws, this provision does not apply to any Unsold Residential Unit. Non-structural interior additions, alterations, or improvements, by a Residential Unit Owner to his Residential Unit, may be made without the consent of the Board but subject to the Declaration, Condominium By-Laws, and Residential By-Laws,. The Residential Board shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Residential Board to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any Unit permitted hereunder shall be executed by the Residential Board, without, however, incurring any liability on the part of the Residential Board to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

Sponsor shall have the right to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or its appurtenant Residential Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Residential Units, all without the approval of the Residential Board or any Residential Unit Owner.

Residential Unit Owners, including Sponsor, prior to the making of any alteration, addition, improvement or repair in or to the respective Residential Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Residential Board may reasonably require, (ii) indemnify the Residential Board, the Condominium Board, the Managing Agent and Sponsor against any liability arising from the work; (iii) comply with Law; and (iv) comply with all terms and conditions of the Declaration and Condominium By-Laws, if applicable, and the Residential By-Laws.

Until a new or amended Permanent Certificate of Occupancy is obtained for the Residential Section, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Residential Limited Common Elements without first obtaining Sponsor's consent, which may be withheld in Sponsor's sole discretion.

Condominium Located in Landmark District

The Property is not a designated Landmark although it is located within a New York City Historic District (Greenpoint) and is listed on the State and National Registers of Historic Places. All work on the building and individual units, both interior and exterior, other than routine maintenance, requires review and approval by the New York City Landmarks Preservation Commission under current regulations. These reviews and approvals must be obtained prior to issuance of permits for construction. As a National Historic Landmark, the building is currently exempt from providing the calculations required to comply with Energy Code. Best practices are still employed in selecting light fixtures, energy efficient appliances, building insulation, and insulated glass. The NYC Department of Buildings should be consulted for any changes in regulations. All future Unit Owners and Sponsor are subject to Landmark Preservation Commission approval requirements. See "**Description of Property and Improvements**" and "**Special Risks**."

Insurance

The Board and Residential Board are each required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Boards/Summary of Condominium By-Laws and Residential By-Laws".

Insurance obtained by the Board will not cover personal property contained in any Unit. Consequently, all Residential Unit Owners shall, at the Residential Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited, loss due to water damage) occurring in, upon, or from the Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) "all -risk" replacement cost property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and settlements and loss due to water damage). For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirements may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the purchaser at the closing of title of each Residential Unit and thereafter, whenever requested by the Residential Board or Managing Agent.

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, and the liability of the carriers issuing insurance obtained by either the Board or the Residential Board, if applicable, shall not be affected or diminished by reason of such additional insurance carried by any Residential Unit Owner.

Compliance with Condominium Documents

Each Residential Unit Owner must strictly comply with the provisions of the Condominium Documents. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, and other remedies provided by law.

Examination of Books and Records

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

Self-Help

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

General

All restrictions and prohibitions set forth herein with regard to the use of the Residential Unit and its appurtenant Residential Limited Common Elements shall not apply to Sponsor or any principal of Sponsor owning or leasing such Residential Unit, with the exception of Prohibited Uses, which are applicable to Sponsor.

RIGHTS AND OBLIGATIONS OF THE BOARDS/ SUMMARY OF CONDOMINIUM BY-LAWS AND RESIDENTIAL BY-LAWS

Powers and Duties of, and Determinations by, the Board and Residential Board

The Board shall have the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium. The Residential Board hall have the powers and duties necessary for, or incidental to, the administration of the affairs of the Residential Section.

As more fully set forth in the Condominium By-Laws, all determinations to be made by the Board shall be by majority of the votes cast at any meeting at which a quorum is present except for those determinations which under the Declaration and By-Laws require a Special Board Majority. Special Board Majority is defined under the Declaration and By-Laws as a majority of the Board, including at least one Residential Board Member and the Non-Residential Board Member. The following actions require Special Board Majority (references are to section numbers of the By-Laws ("BL") unless otherwise indicated): (a) Change in the number, term or qualifications of Board members [BL 2.1]; (b) Making and enforcing contracts and incurring liabilities in connection with the exercise of any of the powers and duties of the Board; provided that any such contracts entered into with (i) an Affiliate of a Unit Owner, (ii) a constituent entity of a Unit Owner, or (iii) an Affiliate of any such constituent entity, shall be on arm's length terms at market rates, and shall require the consent of a Special Board Majority if such contract (x) exceeds $10,000 per annum (as escalated by CPI), or (y) is executed without a provision allowing for termination by the Board, with or without cause, on thirty (30) days' notice or less. [BL 2.3.3.5.]; (c) Any single borrowing by the Board in excess of fifty thousand dollars ($50,000.00). [BL 2.3.3.15.]; (d) Organizing and owning interests in limited liability companies and/or other entities to (i) act as designees of the Board with respect to any Units acquired by the Board in foreclosure or other judicial sale, or (ii) with respect to any such other matters as by Special Board Majority, may determine. [BL 2.3.3.16.]; (e) Preparing, executing and recording on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws (without modification) whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws. [BL 2.3.3.18.]; (f) Purchasing, leasing, or otherwise acquiring Units offered for sale, lease or assignment by their owners, in the name of the Board or its designee, and on behalf of all Unit Owners. [BL 2.3.3.21.]; (g) The relocation of any easement which would have an Adverse Effect on any Unit Owner or on any Unit Owner's exclusive easement areas without, in either such case, such Unit Owner's consent. [BL 2.4.1.]; (h) A contract or agreement with an Affiliate of a Unit Owner which (i) is in excess of $10,000 per annum (as escalated by CPI), or (ii) is not terminable without cause on thirty (30) days' notice by the Board. [BL 2.4.2.]; (i) Hiring of a Managing Agent if it is an Affiliate of the Sponsor. [BL 2.4.3.]; (j) Restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in Law require otherwise. [BL 5.3.1.3.]; (k) Distribution of insurance proceeds which are not the subject of a dispute between Unit Owners. [BL 5.5.2.]; (l) Modification of the appearance of the exterior façade of the Building, except that no Board approval shall be required if such modification is required by Law. [BL 5.15.1.1.]; (m) Decoration of trees outside the Building. [BL 5.20.2.]; (o) Compromise or settlement of a condemnation award. [BL 8.1.]; (q) Repair of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to any taking in condemnation, except to the extent any changes in Law require otherwise. [BL 8.6.]; (r) Amendments to the Declaration. [Declaration Section 20.1.]

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

Notwithstanding anything to the contrary contained in the Residential By-Laws, so long as Sponsor shall continue to own more than 25% of the Residential Units, but in no event later than 5 years after the First Residential Unit Closing, the Residential Board may not, without Sponsor's prior written consent: (i) make any addition, alteration, or improvement to the Residential Section, unless the same shall be required by Law; (ii) assess any Residential Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund; (iii) increase or decrease the number of, or change the kind of employees hired for the Residential Section from those described in the First Years Budget set forth in Schedule B; (iv) enter into any service or maintenance contracts for work or otherwise provide services in excess of those described in Schedule B, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; (v) borrow money on behalf of the Residential Unit Owners; or (vi) lease or purchase a Residential Unit; provided, however, that (x) Sponsor may not diminish or eliminate services or facilities or any line items set forth in Schedule B; and (y) the written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying out of such action is necessary (end no other alternative is available) to enable the Residential Board to: (i) comply with Law; or (ii) remedy any notice of violation; (iii) remedy any work order of the Condominium's insurer; or (iv) comply with its obligations of the Residential Unit Owners) under the Condominium Documents or (iv) make any repair, replacement and/or installation which is necessary for the preservation or safety of the Building or the safety of its occupants.

Meetings and Votes of Residential Unit Owners

Annual meetings of the Residential Unit Owners shall be held within approximately 30 days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect the 5 Members of the Residential Board, subject to any right of Sponsor to designate Members to the Residential Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Residential Board or upon receipt by the Secretary or a petition calling for such meeting signed by Residential Unit Owners having in aggregate not less than 50.01% of the Residential Common Interest. The Secretary of the Residential Board shall mail a notice of each annual or special meeting to all Residential Unit Owners of record. The notice, which will be given at least 10 days prior to any such meetings shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the Residential By-Laws, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 50% of the Residential Common Interests shall constitute a quorum and a majority of the votes cast at any such meeting at which quorum is present shall be binding upon all Residential Unit Owners.

At all meetings, each Residential Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Unit(s) shall be entitled to cast one vote for each .0001% of Residential Common Interest attributable to the Residential Unit.

Officers

The principal officers of the Residential Section shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Residential Board. The Residential Board may appoint additional officers. None of the officers of the Residential Section need be Unit Owners or have any interest therein or be Residential Board members until the first organizational meeting of the Residential Board following the first annual meeting of Residential Unit Owners. Thereafter, the President and Vice President must be members of the Residential Board. The Residential By-Laws provide that all instruments of the Residential Section are to be executed by an officer thereof or by such other person or persons as may be designated by the Residential Board.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board will, except a set forth below, arrange for the prompt repair and restoration thereof (including the structural elements of each Unit, but excluding fixtures, furniture, furnishings, carpeting, drapes or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners as set forth in the Condominium By-Laws. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there 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, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens.

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

Notwithstanding the foregoing, any and all determinations with regard to damage to, or destruction of, solely the Residential Section, shall be made only by the Residential Board as set forth in the Residential By-Laws, without the approval of the Board or any other Unit Owner.

Insurance

As set forth in further detail in the Condominium By-Laws, the Board is required to exercise commercially reasonable efforts to obtain at commercially reasonable rates, and to and maintain, in accordance with the provisions of the Condominium By-Laws, the following insurance with respect to the entire Building other than the Units, the Limited Common Elements and any fixtures, facilities, fit-out, improvements, furnishings, betterments or personal property within or included as part of the Units (the "Board Insured Property"); (a) "all risk" or special form perils property insurance, including building

collapse and such other insurable hazards as, under good insurance practices from time to time, are insured against for other property and buildings similar to the Building in use, location, height and type of construction, and covering the interests of the Condominium, the Board, all Unit Owners and Permitted Mortgages, as their respective interests may appear, in an amount equal to the full replacement of value of the Building (without deduction for depreciation); (b) commercial general liability insurance covering all claims for personal injury or property damage arising out of any occurrence in the Residential Section; (c) rent insurance or business interruption insurance on an actual loss sustained basis in an amount not less than the annual amount or rent and other charges payable pursuant to any leases made by the Condominium as landlord (and excluding any leases made by a Unit Owner or the Residential Board as landlord); (d) if the Board has any direct employees, worker's compensation and New York State disability benefits insurance as required by law covering any employees of the Condominium; (e) comprehensive boiler and machinery insurance on a replacement cost basis covering the Board Insured Property; (f) crime insurance covering the Board and all officers, directors and employees of the Condominium and any Managing Agent of the Condominium; (g) directors and officers liability coverage with respect to the Board; (h) commercial umbrella insurance; (i) to the extent available at commercially reasonable rates, and subject to the provisions of the Condominium By-Laws, terrorism insurance covering the Board Insured Property, and such other insurance as the Board may determine advisable or necessary from time to time.

A complete description of the insurance required to be carried by the Board is set forth in the Condominium By-Laws in Part II of the Plan. Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine, if not so provided in the Condominium By-Laws. The premiums for all insurance maintained by the Board shall be a General Common Expense.

As set forth in the Residential By-Laws, the Residential Board shall have the right, in its sole and absolute discretion, to determine all insurance requirements that relate solely to the Residential Section. Any and all costs associated therewith, shall be borne by the Residential Unit Owners as a Residential common Expense. The estimated costs of insurance for the Residential Section are set forth in Schedule B.

The amount of fire insurance and all risk extended coverage to be maintained until the first meeting of the Residential Board following the first annual meeting of the Residential Unit Owners shall be in at least the sum set forth in "Footnotes to Schedule B." Purchasers should refer to the "Footnotes to Schedule B" to determine the extent of insurance coverage and the cost thereof for the first year of condominium operation.

All policies of physical damage insurance shall contain, to the extent obtainable at reasonable rates, waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners, each of whom shall be an additional insured party and their mortgagees. Duplicate originals or certificates of insurance for all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and their mortgagees at least ten days prior to the expiration of the then current policies. Each such policy shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to the mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board and the Insurance Trustee hereinafter set forth. Any insurance maintained by the Board may contain such deductible amounts as the Board may determine from time to time.

The premiums for all insurance referred to above shall be a Common Expense unless the Board determines to otherwise equitably apportion the cost of insurance among the Unit Owners as provided in the By-Laws.

Liability of the Board, the Residential Board and Unit Owners

Every contract made by the Board, the Residential Board, or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners, if executed by the Board, and the members of the Board Managing Agent or manager thereof shall have no personal liability thereon (except in their capacities as Unit Owners), (b) it is made only as agent for all Residential Unit Owners, if executed by the Residential Board, and the members of the Residential Board, Managing Agent or manager thereof shall have no personal liability thereon (except in their capacity as Residential Unit Owner), and (c) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners. To the extent permitted by Law, the members of both the Board and the Residential Board shall have no liability to Unit Owners except that a member of either Board shall be liable for such member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests of their Units and the appurtenant Common Interests, indemnify each member of the Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. Either Board may contract or effect any transaction with any member of either Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Report to Residential Unit Owners

An annual report of the receipts and expenditures of the Residential Section, certified by an independent certified public accountant, shall be submitted by the Residential Board to all Residential Unit Owners approximately 4 months after the end of each fiscal year.

Amendments to Condominium Documents

As set forth in further detail in the Declaration, generally, the consent of both the Non-Residential Unit Owner and 66 2/3% in number and Common Interest of the Residential Unit Owners (and all Permitted Mortgagees of such consenting Unit Owners) is required to amend the Declaration or the Condominium By-Laws; provided that an amendment to the Declaration or the Condominium By-Laws which (a) affects only (i) the Non-Residential Unit or its appurtenant Limited Common Elements or the non-Residential Unit Owner or (ii) the Residential Units in the aggregate or their appurtenant Residential Limited Common Elements or the Residential Common Elements or the Residential Unit Owners and (b) does not have a material and adverse effect (as defined in the Condominium By-Laws) on the other Units or their appurtenant Limited Common Elements or the other Units Owners, may be made by the Non-Residential Unit Owner or the Residential Board on behalf of the Residential Unit Owners (as applicable) without the consent of any other Unit Owners (or their Permitted Mortgagees) or the Board, provided at least 30 days' prior written notice of the proposed amendment is provided to the other Unit Owners.

As set forth in further detail in the Residential By-Laws, generally, subject to certain exceptions concerning, among other things, Sponsor, and provided that required consents

of the Mortgage Representatives, if any, are obtained, any provisions of the Residential By-Laws or Residential Rules and Regulations affecting the Residential Units, Residential Common Elements, Residential Limited Common Elements or all Residential Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 66 2/3% in number and Common Interest of all Residential Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

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

Terminating of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the Declaration) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the affirmative vote to do so of at least 80.01% of the Common Interests of the Condominium together with their respective Permitted Mortgagees, provided that if the Non-Residential Unit has not been subdivided at the time in question, then the affirmative vote of the Non-Residential Unit Owner shall also be required.

In the event of withdrawal, unless the Unit Owners determine that the Property shall be sold as a whole, the Property shall be subject to an action for partition by any Unit Owner as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interest; and such net proceeds to be paid to such Unit Owner in accordance with its respective Common Interest shall be assigned and transferred by it and other Unit Owners to itself and the other Unit Owner as “Pooled Partition-Sale Proceeds” which shall be divided and distributed among the Unit Owners in accordance with the relative appraised value of each of the Units as determined by arbitration provided, however, that no payment shall be made to a Unit Owner from the Pooled Partition-Sale Proceeds until there has first been paid out of such share of net proceeds all liens and expenses on the Unit, in the order of priority of such liens.

Residential Unit Acquired by Residential Board

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

The purchase of any Residential Unit by the Residential Board on behalf of the Residential Unit Owners may be made from the funds deposited in the capital and/or expense accounts of the Residential Board. If the funds in such account are insufficient to effectuate any such purchase, the Residential Board may levy an assessment against each Residential Unit Owner in proportion to the Residential Common Interest, as a Residential Common Charge and/or the Residential Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that financing may not be obtained when permitted by the Residential By-Laws and that no such financing may be

secured by an encumbrance or hypothecation of any portion of Property other than the Residential Unit to be purchased together with its Residential Common Interests.

Procedures to Review Real Estate Tax Assessments

The Residential Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units. All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Residential Common Interests. In the event any Residential Unit Owner individually seeks to have the assessed valuation of the Residential Unit reduced by bringing a separate certiorari proceeding, the Residential Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Residential Unit Owner in pursuing such reduction, provided that such Residential Unit Owner indemnifies the Residential Board from all claims, costs and expenses (including, without limitation, attorneys' fees and costs) resulting from such proceeding.

Mechanics' Liens

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

Easements

In order to facilitate the operation and maintenance of the Residential Section and the sales or leasing of Residential Units therein, each of the Residential Units will be subject to certain easements including easements in favor of Sponsor, the Non-Residential Unit Owner, other Residential Unit Owners, the Board and the Residential Board. These easements, which are more particularly set forth in the Declaration, By-Laws and the Residential By-Laws, include an easement of support and necessity in favor of all other Units and their appurtenant Limited common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonable interfere with the use of the Units for their permitted purposes. In addition, as set forth in the Declaration, the Condominium By-Laws and the Residential By-Laws, Sponsor (with respect to Unsold Residential Units) and the Non-Residential Unit Owners (with respect to the Non-Residential Unit) have been granted certain easements with respect to the use and operation of their respective Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right to access to the Residential Section for purpose of fulfilling Sponsor's obligation under the plan and performing certain alterations and repairs in or about the Residential

Units and Residential Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Residential Unit for its permitted purposes.

The Declaration, Condominium By-Laws and Residential By-Laws

A copy of the Declaration, Condominium By-Laws and Residential By-Laws are set forth in Part II of the plan.

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REAL ESTATE TAXES

Please see Footnote 9 of Schedule A for the estimated real estate taxes for the Residential Units for the first year of Condominium Operation and related disclosures.

Lawrence J. Berger, P.C., 200 Madison Avenue, Suite 1902, New York, NY 10016, ("**Sponsor's Real Estate Tax Counsel**"), has estimated in a letter dated May 29, 2019 and reproduced in Part II of the Plan ("**Real Estate Tax Counsel's Opinion Letter**") that the taxable assessed valuation of the Residential Units at the Property will be $5,900,000 for the tax year July 1, 2020 through June 30, 2021 ("**2020/2021**").

Based on an estimated tax rate per $100 of assessed valuation for Units of $13.38 for tax year 2020/2021, the estimated real estate taxes for the Residential Units during the first fiscal year of condominium operation (i.e., July 1, 2020 through June 30, 2021) will be approximately $789,420 (aggregate for all Residential Units).

This estimate assumes that the assessed valuation will be increased solely due to the rehabilitation being completed by Sponsor. All prospective Purchasers are advised that although the estimate of assessed valuation is a good-faith estimate, such projections of the assessed valuation, when actually made, may be less or greater than as estimated above and are not guaranteed. No projection has been made for a possible increase in the assessed valuation of the Land. Sponsor's Real Estate Tax Counsel has cautioned Sponsor that the assessment practices of the New York City Department of Finance have been inconsistent in assessing properties for new construction and that it is possible that there may be substantial deviation in the assessed value for the tax years analyzed by it. Prospective purchasers are, therefore, similarly cautioned by Sponsor to the possibility of such a deviation.

The real estate taxes for future years will vary in accordance with the tax rate, the Property's assessed valuation and the phasing in of assessed valuation increases. It is noted that under state law, increases in a property's assessed value due to changes in its market value are to be phased in over five (5) years in equal annual increments of twenty percent (20%). Any further increases in the assessed value resulting from still higher market value is to be similarly phased in over an additional five year period from the date(s) of such increase(s). The full increased assessed valuation to be paid at the end of five (5) years is called the "actual assessed valuation." Based upon the assessed valuation estimated by Lawrence J. Berger, P.C., Purchasers should anticipate that real estate taxes will increase every year after the first year due to the "phase-in" of increases to reach the actual assessed valuation (assuming that the assessed value is not reduced). In fact, Sponsor's Real Estate Tax Counsel has estimated that after the first year of condominium operation, real estate taxes may be in excess of approximately $1,006,928/year (aggregate of all Residential Units) based upon an estimated assessed valuation of $7,306,640 and a projected tax rate per $100 of assessed valuation of $13.781.

Until the Residential Units are separately assessed, the entire assessment attributable to the Residential Units will be paid by all Unit Owners in proportion to their relative Residential Common Interests.

On or after the filing and recording of the Declaration and a deed for a Residential Unit, a separate tax lot is to be or will have been created for each Residential Unit in the Condominium. After creation of the separate tax lot for a Residential Unit, the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Residential Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property to a tax lot representing a Residential Unit on the basis of the percentage of Residential Common Interest appurtenant to the Residential Unit relative to the other Residential Units. Moreover, there

can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Residential Unit or the Property as described above on or after such apportionment or for any reason. Such an increase will increase a Residential Unit Owner's real estate taxes above the amounts estimated on Schedule A. Based upon past practices in New York City, it is reasonable to anticipate that there will be an increase in the tax rate in future years.

The foregoing analysis is based upon the experience of Lawrence J. Berger, P.C. with the Real Property Division of the New York City Department of Finance and the Tax Commission of the City of New York, and their assessment policies regarding newly renovated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. In such event, it might be desirable to commence real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Once a separate tax lot is established for a Residential Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Residential Unit is officially made, a Residential Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit [unless such real estate taxes are included in Common Charges because, for example such real estate taxes are assessed against a Unit which is owned as part of the Common Elements (i.e., a Unit acquired by the Condominium Board pursuant to its right of first refusal)] nor will his Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit (except to the extent provided above in this sentence). However, until separate tax bills are available for each Residential Unit, real estate taxes will be paid by the Residential Board of the Condominium as a Residential Common Expense. Until the Units are separately assessed, the taxes payable by all Residential Units will be apportioned among said Residential Units in the proportion that the Residential Common Interest of each Residential Unit bears to the aggregate Residential Common Interests of all Residential Units and such proportionate share of the real estate taxes will be assessed against each Residential Unit as part of the Residential Common Charges. It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time. Purchasers and their counsel are urged to see Real Estate Tax Counsel's Opinion Letter in Part II of the Plan.

The By-Laws provide that the Residential Board of Managers has the power to act as an agent of each Residential Unit Owner who has given his written authorization to complain or apply to the local and county real estate tax assessment agency or board of review by filing a single complaint on behalf of all such Unit Owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and assess as a Common Charge against all such Unit Owners a pro rata share of expenses, disbursements, and legal fees paid or incurred in connection with any such complaint or application.

Sponsor reserves the right both (i) to prosecute any tax certiorari proceedings challenging the assessed valuation of the Property, in the tax year in which the First Closing Date takes place, and any preceding tax year, in its own name and/or the name of the Residential Section, the Residential Board or the Residential Unit Owners by attorneys selected by Sponsor and (ii) to settle any such proceedings in its sole discretion and without the consent of the Residential Board or the Residential Unit Owners. After deducting the cost of such proceedings including, without limitation, attorney's fees, all benefits obtained, including, without limitation, any tax refunds, attributable to either: (x) any tax year ended prior to the First Closing Date, shall be paid to the Sponsor, or (y) any

tax year commencing after the First Closing Date, may be retained by the Residential Board or the appropriate Residential Unit Owners as the case may be, or (z) the tax year in which the First Closing Date occurs shall be apportioned between the Sponsor and the Residential Board as of the First Closing Date.

INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

Income Tax Deductions to Residential Unit Owners

Subject to certain exceptions and limitations that are more particularly discussed in the Counsel's Income Tax Opinion, it is the opinion of tax counsel to the Sponsor that a Residential Unit Owner who uses his or her Residential Unit exclusively as a personal residence and itemizes his or her deductions will, under current U.S. federal, New York State and New York City income tax Law, be entitled to a deduction for mortgage interest and state and local real property taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers. Purchasers should note that interest paid on a mortgage secured by a personal residence generally is deductible only with respect to indebtedness that is incurred in acquiring or substantially improving a principal or secondary personal residence and, for taxable years beginning after December 31, 2017 and before January 1, 2026, only up to an aggregate indebtedness of $750,000 (or $375,000 in the case of a married individual filing a separate return).[1] Interest on mortgage indebtedness that does not satisfy these requirements, such as home equity indebtedness, or is in excess of these limitations, is not deductible. In addition, special limitations also apply to the deductibility of points and other prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions. Purchasers should further note that, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any tax year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

With respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent described above.

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above, that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York State and New York City income tax purposes to a resident individuals all as more particularly discussed in the Counsel's Tax Opinion.

Tax Status of the Condominium

Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

In order to elect such status, the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the

1 Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing on or after January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

Property; 60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium; 90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property; no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual; substantially all of the Units (defined by Department of the Treasury Regulations as 85% of the square footage of the total of all units) must be used by individuals as residences; and the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

As less than 85% of the square footage of all Units will be used for residential purposes, the Condominium will not be eligible to elect tax-exempt status under Section 528 of the Internal Revenue Code. Provision has been made for income taxes payable by the Condominium in the projected budget for the first year of condominium operation. See "**Opinion of Counsel**" and "**Budget for First Year of Condominium Operation, Schedule B.**" Accordingly, the Condominium may be subject to income taxes on the excess of the Common Charges and investment income over the expenses of operating the Condominium (See "**Opinion of Counsel**").

Since an election under Section 528 is not available, the tax status of the Board will be governed by the rules in effect prior to the enactment of Section 528 under which the tax status of the Condominium is uncertain.

Because the By-Laws provide that the Board will act as agent of the Unit Owners, the Board may take the position that it simply acts as agent for the Unit Owners and is not a separate taxable entity. In such a case, the Unit Owners would include in their gross income, and be taxed on, income derived by the Board. This income may include interest earned from investments on the amounts which are assessed and collected from the Unit Owners, or rental income.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Board, such as assessment and expenditure of Common Charges, the Board constitutes an association separately taxable as a corporation. In that event, the Condominium may be deemed to be subject to federal corporate income tax on the amount, if any, by which Common Charges (together with any income earned from other sources, such as interim investments of funds by such association) exceed the current expenses paid or incurred by the Condominium as are deductible for federal income tax purposes. The Condominium may likewise be subject to the New York State corporation franchise tax and the New York City general corporation tax. It is Sponsor's counsel's opinion that the Condominium Association will not be eligible to elect tax exempt status under Code section 528. However, the Condominium may make an election every year under Internal Revenue Service Revenue Ruling 70-604, which allows it to rollover excess assessments (i.e., the amount of assessments over and above the amounts used for the operation of the Property) into the subsequent year to be applied against that year's expenses and, thus, not be taxed on such excess. For a further discussion of the tax status of the Condominium, see "**Counsel's Tax Opinion**."

O L S H A N

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May 20, 2019

807 Manhattan Avenue LLC
38 East 29th Street, 9th Floor
New York, NY 10016
Attn: Martin Nussbaum and David Schwartz

Re: 807 Manhattan Avenue Condominium, Brooklyn, NY

Ladies and Gentlemen:

In connection with the offering of condominium Residential Units under a plan entitled Condominium Offering Plan for 807 Manhattan Avenue Condominium (the "Plan"), you have requested our opinion as tax counsel to the Sponsor to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for U.S. federal New York State and New York City income tax purposes of payments of mortgage interest and real property taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Residential Unit Owner will hold title to his Residential Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Residential Unit and its interest in the Common Elements will be taxed as a separate parcel for real property tax purposes. Each Residential Unit Owner may place a separate mortgage on his Residential Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

This opinion addresses certain of the U.S. federal, New York State and New York City income tax consequences that would result from the ownership of a Residential Unit by an individual who is a resident of New York City for tax purposes, who purchased such Residential Unit on or after the date hereof, and who uses the Residential Unit as a qualified residence. It does not address, among other things, the tax consequences of ownership of a Unit other than a Residential Unit by any person or entity; a Storage Bin License and does not address the tax consequences of the ownership of Residential Units by corporations, other entities or foreign persons, or individuals who are not residents of New York City; or, except as specifically discussed, by an individual taxpayer in connection with his or her trade or business, for investment, or for the production of income.

In our opinion under present law, subject to the limitations discussed in the following paragraph, interest on a mortgage secured by a Residential Unit paid or accrued by the owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for U.S. federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, mortgage interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Residential Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return.[1] However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real property taxes assessed against a Residential Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for U.S. federal income tax purposes in the appropriate year according to his method of accounting, provided he itemizes his deductions. Pursuant to changes in the 2017 Tax Cuts and Jobs Act, for a taxable year beginning after December 31, 2017 and before January 1, 2026, the aggregate deduction for state and local real property taxes, state and local personal property taxes, state and local, and foreign, income, war profits, excess profits taxes, and general sales taxes (if elected) for any such taxable year is limited to $10,000 ($5,000 in the case of a married individual filing a separate return).

We note that, with respect to a Residential Unit Owner who is subject to the alternative minimum tax, no deduction is allowed for real property taxes paid by such Residential Unit Owner and a deduction for mortgage interest is allowed to the same extent as described above.

Subject to certain limitations for high income taxpayers, the amount of mortgage interest and real property taxes described above, that are deductible for U.S. federal income tax purposes should also be allowable as deductions for New York State and New York City income tax purposes to a resident individual.

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[1] Without further Congressional action, the $750,000 and $375,000 threshold limitations will expire pursuant to a sunset provision contained in the 2017 Tax Cuts and Jobs Act. Accordingly, the $750,000 and $375,000 threshold limitations will be increased to $1,000,000 and $500,000 respectively for taxable years commencing January 1, 2026. The deduction for interest payable on certain home equity indebtedness was repealed pursuant to the 2017 Tax Cuts and Jobs Act. However, as a result of a similar sunset provision contained in the 2017 Tax Cuts and Jobs Act, for taxable years commencing on or after January 1, 2026 (assuming no further Congressional action), an individual may again deduct interest on an additional $100,000 of home equity indebtedness in excess of the threshold limitations mentioned above (or $50,000 of home equity indebtedness in excess of the threshold limitations in the case of a married individual filing a separate return).

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 807 Manhattan Avenue Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for U.S. federal income tax purposes. In order for the Association to qualify as an exempt organization for U.S. federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Residential Units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the Residential Units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the Residential Units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Residential Units within the project is used by individuals for residential purposes. Residential Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Residential Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Residential Unit or building is occupied by a person or series of persons each of whom occupies the Residential Unit or building for less than thirty days.

You have advised us that less than 85% of the total square footage of the Units will be used by individuals for residential purposes. Accordingly, the "substantially all" test will not be

met. As a result, it is our opinion that the Association will not be eligible to elect tax-exempt status under Code Section 528.[2]

Since the Association will not initially qualify as a tax exempt organization pursuant to Code Section 528, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. Tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of its income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to U.S. federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Residential Unit Owners. The tax treatment of the Association may be affected by certain Residential United States Treasury Department regulations relating to entity classification.[3]

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Residential Units. We express no views as to any U.S. federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Residential Unit consult with his own tax advisor concerning the U.S. federal, New York State, and New York City tax consequences of the purchase and ownership of a Residential Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

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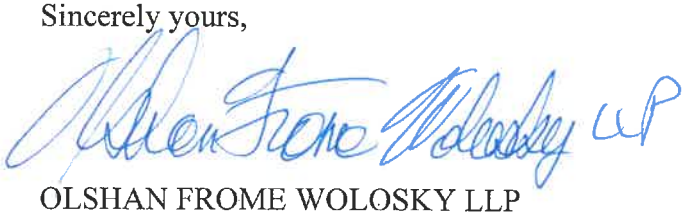
[2] If in the future the Association does meet the "substantially all" test and elects tax treatment under Code Section 528, all amounts received by the Association as exempt function income will be exempt from U.S. federal income tax. This consists of amounts received as membership dues, fees, or assessments from owners of Residential Units. However, the Association would be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association or from non-Residential Residential Unit Owners, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

[3] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for U.S. federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

ALL RESIDENTIAL UNIT OWNERS, POTENTIAL RESIDENTIAL UNIT OWNERS, THE ASSOCIATION AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH RESIDENTIAL UNIT OWNER, EACH POTENTIAL RESIDENTIAL UNIT OWNER, THE ASSOCIATION AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely yours,



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RESERVE FUND

No funds have been set aside by the Sponsor as a reserve fund for capital expenditures. However, Schedule B includes a line item for a Reserve Fund for the Residential Section for the sole purposes of costs and expenses related to capital repairs, replacements and improvements to the Residential Section, equal to ten (10%) percent of the Residential Section budget. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Residential Board must maintain a Reserve Fund in an amount that complies with then-current FNMA guidelines and any change in the amount of such Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation as to the reserve fund requirements of FNMA, or any other requirements with respect to the qualification of the Residential Units or Condominium by FNMA at any point in time. As the Residential Section, upon completion of the construction to be performed by Sponsor, will be entirely new construction, Sponsor does not anticipate imminent need for such capital repairs, replacements or improvements; however, no assurance or guaranty is given that such needs will not arise in the future. Residential Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Residential Common Elements as the need for same arises. The Reserve Fund will be available to the Condominium as of the First Closing Date to the extent that it is funded from the collection of Common Charges.

WORKING CAPITAL FUND

A working capital fund ("Working Capital Fund") for the Condominium shall be established as follows: Upon the closing of the purchase of a Unit from Sponsor, the purchaser will be required to pay to the Condominium an amount equal to two months' Common Charges for such Unit ("Unit Working Capital Fund Contribution") as initial working capital. This contribution is not refundable or transferable if Purchaser sells his Unit. No payment to the Working Capital Fund will be made by the Board for the Resident Manager's Unit.

The Working Capital Fund may be used by the Condominium for working capital and for other purposes as determined by the Board.

Except as expressly provided in this Section of the Plan, Sponsor shall have no obligation to establish or make any contributions to a working capital fund or reserve fund of any kind with respect to the Condominium or the Property.

So long as a majority of the members of the Board are the Sponsor's representatives, the Sponsor's representatives shall not use the Working Capital Fund to reduce the Common Charges projected in Schedule A.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. In the event funds are needed for capital expenditures, the Board of Managers may decide to increase Common Charges or impose an assessment on all Unit Owners. Neither the Department of Law nor any other government agency has passed on the adequacy of the Working Capital Fund.

Closing Adjustments Between Sponsor and Condominium

The Sponsor will be responsible for all the required operating expenses of the Residential Section accruing prior to the date of the closing of title to the first Residential Unit pursuant to the Plan. The Condominium shall be required to pay all operating expenses of the Property accruing on or after the date of the closing of title to the first Residential Unit pursuant to the Plan.

The following items shall be apportioned between the Sponsor and the Residential Section as of midnight of the date preceding the date of the closing of title to the first Residential Unit pursuant to the Plan: (a) water charges and sewer rents for the Residential Section based on water meters measuring usage for the Residential Section, for which the Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the closing of title to the first Residential Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer rents, if any, based thereon for the interim shall be apportioned on the basis of such last reading; (b) deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements which are assigned by the Sponsor to the Residential Section; (c) the cost of fuel on hand, if any, as estimated by the Sponsor's supplier; (d) insurance premiums for transferable policies, if any, which Sponsor transfers to the Residential Section; (e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees, if any; (f) charges for electricity for the Common Elements; (g) cost of building supplies on hand at Sponsor's cost; (h) janitorial service fees, if any; (i) management fees; (j) Common Charges paid or payable to the Board; and (k) operating expenses and any other prepaid items (including, without

limitation, charges for gas and electricity for the Residential Section, if applicable). In addition, the Sponsor shall pay all installments for assessments due prior to the date of closing of title to the first Residential Unit pursuant to the Plan and the Residential Board shall pay all such installments due after such date.

If the net closing adjustments are in favor of the Sponsor, then the amount of such net closing adjustments shall be paid to the Sponsor in twelve (12) equal monthly installments commencing one month after the date of closing of the first Residential Unit, in accordance with a promissory note of the Residential Board to be delivered to Sponsor on the Closing Date pursuant to the Plan. The note shall mature on the first anniversary of the date of closing of the first Residential Unit at which time all unpaid principal shall be due and payable. The note shall bear interest at rate of 8% per annum. It is noted that net closing adjustments in favor of Sponsor, if any, generally represent costs for which the Residential Section is responsible that have been prepaid by Sponsor for a period covering part or all of the first year of Residential Section operation and, as such, the amount thereof is reflected in Schedule B - Budget for First Year of Residential Section Operation.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Summarized below are the terms of the management agreement and all of the contracts and leases made or to be made by the Sponsor or the Residential Board on or before the First Closing Date, which will bind the Residential Section on or after the First Closing Date and which are not disclosed elsewhere in this Plan. On or before the First Closing Date, the Residential Board on behalf of the Residential Section will enter into an agreement with Century Management Services, Inc., with offices at 440 Ninth Avenue, Suite 1500 New York, New York 10001, to act as Managing Agent of the Property for an initial term of two (2) years from the First Closing Date. For its services, the Managing Agent will receive an annual management fee of $20,000 payable in equal monthly payments of $1,666.66. The Condominium will reimburse the Managing Agent on demand for any sums advanced by the Managing Agent for the Condominium's account in payment of any obligation or necessary expense connected with the maintenance or operation of the Residential Section including for out-of-pocket expenses such as: postage, messenger service, copying, payroll processing, window guard/fire safety/lead paint forms and processing, lenders' questionnaires, attendance at closings of Units, Form 1098 preparation, taking and maintaining minutes of meetings, services requested by Residential Unit Owners in connection with the sale, lease or mortgaging of a Residential Unit, and similar services.

The management agreement will not be assignable by either party. After the first forty-five (45) days of the term under the management agreement, it may be canceled at any time without cause by either party on sixty (60) days' notice in advance of the intended date of termination.

The services to be rendered to the Condominium by the Managing Agent will include (a) billing and collecting Common Charges, rent and other charges; (b) hiring and discharging employees; (c) making periodic inspections of the Residential Section and supervising routine (but not major) repairs, services, maintenance, alterations and improvements; (d) contracting for services and purchasing supplies for the Residential Section; (e) maintaining the corporate books and attending Board and Owners' meetings; (f) verifying and paying bills received for services, work and supplies, and paying taxes; (g) maintaining payroll records and filing withholding tax statements for Building employees; (h) furnishing monthly statements of receipts and disbursements to the President and Treasurer of the Condominium; (i) preparing and submitting annually to the Board an operating budget of the anticipated receipts and expenses for the ensuing year; (j) sending notices and attending meetings; and (k) generally doing all things reasonably deemed necessary or desirable by the Board of the Condominium for the proper management of the Building and by the Residential Board of the Residential Section for the proper management of the Residential Section.

Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the management agreement shall not extend to supervising or managing major capital renovations or major capital improvements unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor.

The Managing Agent will not prepare the Condominium's annual certified financial statement. Such statement will be prepared by an independent certified public accountant employed by the Condominium at its own cost and expense.

The Condominium shall indemnify and hold the Managing Agent harmless from and against any liability, damages, claims, costs and expenses (including reasonable

attorneys' fees) arising out of any injury to any person or property in, about or in connection with the Property, from any cause whatsoever, unless such injury is caused by the Managing Agent's own negligence or failure to comply with its obligations under the management agreement.

If the Board so elects, the Managing Agent may be bonded at all times during the term of the Management Agreement under a fidelity bond in favor of the Condominium. The cost of the bond will be borne by the Condominium as a Common Expense.

It is not anticipated that there will be other contracts binding on the Condominium. The cost of the services described in Schedule B-First Year's Budget anticipated to be provided to the Condominium for elevator maintenance, water treatment, alarm maintenance, exterminating, landscaping, and similar services are based upon the experience of Century Management Services, Inc. Actual contracts for these services have not been entered into since such services will not begin to be provided until July 1, 2020. As Sponsor enters into contracts for such services, the Plan will be amended to disclose the name of the contractors, the services to be rendered or received, the annual cost and the expiration date. In addition, the Sponsor reserves the right, prior to the First Closing Date, upon such terms and conditions to which Sponsor shall agree, to (a) renew, extend or modify any of the contracts summarized above and/or identified in Schedule B, and (b) make other or additional labor, maintenance, service or concession contracts with respect to the Property. Thus, the payments to be received and/or paid by the Condominium may be more or less than the amounts shown in Schedule B. However, if (i) the term of any new contract exceeds, or the term of any existing contract is extended for a period which exceeds, two (2) years (or three (3) years in the case of any union contract), or (ii) the cost of any such new or modified contract materially increases any expense shown in Schedule B, then the Sponsor will disclose such term, decrease in income or increase in expense, as the case may be, in a duly filed amendment to the Plan.

Century Management Services, Inc. is not affiliated with the Sponsor or its principals in any way.

IDENTITY OF PARTIES

Sponsor:

Sponsor, 807 Manhattan Avenue LLC, is a limited liability company organized and existing under the laws of the state of Delaware and authorized to do business in New York State with an office at 38 East 29th Street, New York, New York 10016. Sponsor has designated the Secretary of State of the State of New York as agent for service of process.

Sponsor's sole principals who are actively engaged in the planning and consummation of the offering are Martin Nussbaum and David Schwartz, both of whose business address is 38 East 29th Street, New York, New York 10016. Both of Sponsor's principals have broad experience in residential and commercial real estate development in New York State and elsewhere.

An affiliate of the Sponsor, 275 Fourth Owner LLC, was the Sponsor of the offering plan for the 275 4th Avenue Condominium, located at 275 4th Avenue, Brooklyn, New York 11215. This plan was accepted for filing on March 21, 2016 (File Number CD15-0312). Messrs. Schwartz and Nussbaum were principals of that Sponsor. The first closing took place on May 24, 2017 and Sponsor has sold all residential Units and currently owns only the commercial unit, community facility unit and storage units.

An affiliate of the Sponsor, 10 Nevins Street Owner LLC, is the Sponsor of the offering plan for the 10 Nevins Street Condominium, located at 10 Nevins Street, Brooklyn, New York 11217. This plan was accepted for filing on July 9, 2018 (File Number CD17-0169). Mr. Nussbaum is a principal of that Sponsor. The Plan has been declared effective but the first Closing has not yet been held. Closings are expected to be held in the 4th quarter of 2019.

An affiliate of the Sponsor, 201 Water Street LLC, was the Sponsor of the offering plan for the 51 Jay Street Condominium, located at 51 Jay Street, Brooklyn, New York 11201. This plan was accepted for filing on December 23, 2014 (File Number CD14-0149). Messrs. Schwartz and Nussbaum were principals of that Sponsor. The first Closing took place on January 5, 2017 and Sponsor has sold all units in this condominium.

An affiliate of Sponsor, Water Street Parking LLC, is the Successor Sponsor with respect to certain parking units at 205 Water Street, Brooklyn, New York 11201. That plan was accepted for filing on October 7, 2011 (File Number CD11-0123). Messrs. Schwartz and Nussbaum are principals of that Successor Sponsor. The first closing took place in 2012 and Sponsor's affiliate acquired twenty-eight (28) parking units on May 7, 2013 from the original Sponsor. As of the date of this Plan, Sponsor continues to own five (5) parking units in this condominium.

The Sponsor, general partner, principal or holder of unsold units are current in their financial obligations in all of the offering plans listed above , 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.

Copies of these Offering Plans are on file with the New York State Department of Law and are available for public inspection.

During the past five (5) years, Martin Nussbaum and David Schwartz have not offered for sale any properties as cooperatives, condominiums, planned unit development

homes or time shares in New York, and does not own ten (10%) percent or more of the unsold units or unsold shares in any building, except as stated above.

Neither the Sponsor nor its principals have any prior felony convictions. Neither the Sponsor nor its principals have any prior bankruptcies, convictions, injunctions and judgments against them or entities in which they were principals that may be material to the offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Plan. Except for Sponsor's principals, no other individual owns a 10% or more equity interest in Sponsor.

Managing Agent:

Century Management Services, Inc. with offices at 440 Ninth Avenue, Suite 1500 New York, New York 10001 will serve as the Managing Agent. It is a licensed real estate management firm, which is engaged in the management of residential real estate. Neither the Managing Agent nor its principals have any prior felony convictions or prior bankruptcies, convictions, injunctions and judgments against them or entities in which they were principals that may be material to the offering plan or to an offering of securities generally and that occurred within the fifteen (15) years prior to the submission of this Plan. The firm's experience in the field includes the management of real estate properties for over twenty-five (25) years. It currently manages over 100, condominium and rental buildings in New York City. A representative list of buildings managed by Century Management Services, Inc. includes, but is not limited to: 205 Water Street, Brooklyn, NY; 37-43 Bridge Street, Brooklyn, NY; 47 Bridge Street, Brooklyn, NY; 287 East Houston Street, New York, NY; and 303 East 33rd Street, New York, NY. The Managing Agent is not affiliated with the Sponsor or its principals in any way.

Selling Agent:

The Sponsor has retained MNS, with its principal office located at 97 North 10th Street, 2C, Brooklyn, New York 11249 as the Selling Agent. The Selling Agent has more than fifteen (15) years' experience as brokers in the sale of condominium and cooperative units. The Selling Agent is licensed as a real estate brokerage firm in the State of New York. The principals of the Selling Agent have been engaged in the real estate brokerage business for over fifteen (15) years and have been actively associated with the sale of condominium and cooperative units and buildings in Kings County and the surrounding areas. The Selling Agent has no financial interest in the Property, the Sponsor or the Condominium, or any other party interested in this transaction, except that it shall receive a commission for its services rendered in connection with sales of the Units. There are no felony convictions or prior convictions and no injunctions or judgments that may be material to this offering Plan, against the Selling Agent., as Selling Agent for this Building.

Sponsor's Architect/Engineer:

PKSB Architects, PC, 330 West 42nd Street, New York, NY 10036, is the architect retained by Sponsor to prepare the Statement of Building Condition set forth in Part II of the Plan. The architect was founded in 1964 and has extensive experience completing projects of every scale including academic, preservation, institutional, residential, hospitality, public housing, infrastructure, public art, civic memorials, and houses of worship. PKSB's efforts have been recognized with numerous design awards, including the prestigious P/A Award and AIA honors on the local, state and national levels.

A & D Engineering, PLLC, 2606 East 15th Street, Brooklyn, NY 11235, is the mechanical engineering firm retained by Sponsor. This firm has assisted in the calculation of the items in Schedule B which relate to electrical, gas, and water/sewer charges as well

as the calculations in Schedule B-1 with respect to the individual energy costs for each Unit.

Sponsor's Attorneys:

The Sponsor is represented by Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP, with offices at 1 MetroTech Center, Suite 1701, Brooklyn, New York 11201, in all matters generally relating to the preparation of the Plan and will represent Sponsor in connection with Closings of Units under the Plan. The Firm is also the escrow agent for purchasers' down payments. Lawrence F. DiGiovanna, Esq. is the attorney who prepared the Plan.

Sponsor has retained the firm of Olshan Frome Wolosky LLP, with an office at 1325 Avenue of the Americas, to prepare the income tax opinion for the Condominium and Unit Owners under the direction of William R. Gleicher, Esq.

Sponsor has retained the firm of Lawrence J. Berger P.C., with an office at 200 Madison Avenue, Suite 1902, New York, NY 10016, in connection with the opinion of assessed valuation and estimated real estate taxes for the condominium units. Seth Goldberg, Esq. is the attorney who drafted the opinion.

REPORTS TO UNIT OWNERS

It is the obligation of the Residential Board to give all Residential Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant or public accountant by four months after the end of each fiscal year. Such statement shall be a certified statement while Sponsor is in control of the Residential Board of Managers;

(2) prior annual notice of the annual Residential Unit Owners' meeting;

(3) a copy of the proposed annual budget of the Residential Section by thirty (30) days prior to the date set for adoption thereof by the Residential Board. While Sponsor is in control of the Residential Board, the adequacy of such budget shall be certified in compliance with Section 20.4 of the Attorney General's regulations.

DOCUMENTS ON FILE

Sponsor agrees that copies of this Plan and all exhibits and documents referred to herein and all Exhibits submitted to the Attorney General in connection with the filing of the Plan shall be on file and available for inspection without charge and copying for a reasonable charge by prospective Purchasers and by any person who shall have purchased a Residential Unit under this Plan or participated in the offering of such Residential Units, at the office of the Sponsor, and shall remain available for such inspection and copying for a period of six (6) years from the date of the first Closing under the Plan. Sponsor shall deliver to the Board of Managers a copy of the filed Floor Plans and the filed Declaration and all documents filed with applicable recording offices at the time of the closing of the first Unit.

GENERAL

Pending Litigation

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or the Condominium or any other person or persons, the outcome of which may materially affect this offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium, or the operation of the Property as a Condominium. Purchasers are referred to Footnote 5 to Schedule A for details regarding the estimated real estate taxes payable by each Unit Owner.

Amendments to Plan

The Sponsor reserves the right, from time to time prior to the First Closing Date, without obtaining the consent of Purchasers or others, to revise the terms and conditions on which the Residential Units offered hereby are to be sold, including changes affecting the rights, obligations and liabilities of Purchasers, the Sponsor and the Condominium. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If an amendment materially adversely affects the rights, obligations or liabilities of then existing Purchasers, or substantially and materially reduces the undertakings or obligations of the Sponsor, Purchasers will be given the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to the Sponsor within

fifteen (15) days after the date of service of the amendment, and the Sponsor shall refund any payments made by such Purchaser pursuant to his Purchase Agreement (except for funds used for upgrades or extras) with interest earned thereon, if any, within thirty (30) days of receipt of such notice of rescission. However, such rescission, as to Purchasers who are then tenants of the Building, shall be conditioned on the cancellation of any interim or other lease and surrender of possession of their Units.

No Prior Offering

To the Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings in the past five (5) years.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor and its agents will not discriminate against any person on any basis prohibited by applicable civil rights laws, including sexual orientation, relating to the sale of the Residential Units offered by the Plan.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents.

No person has been authorized to make any representation which is not contained herein. Information, data or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally.

The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective Purchasers. Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful review of the actual documents, some of which are set forth in Part II of the Plan and others of which are available for inspection by all prospective Purchasers at the office of the Sponsor. Therefore, prospective purchasers and their attorneys and other, financial advisors should read the entire Plan, which consists of Part I and Part II, and should review all documents in connection with the Plan.

No Agreements Prior to Submission

There are and have been no contracts or agreements, written or oral, entered into for the sale or transfer of any Residential Units offered in the Plan nor have any advances or deposits of funds been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Residential Units prior to the submission of the Plan to the Department of Law.

All Units are Vacant

None of the Residential Units subject to this Plan are occupied by residential or commercial tenants as of the date of submission of the Plan to the Department of Law.

Inconsistencies

In the event of any inconsistency between the provisions of Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. In the event of any inconsistencies between the provisions of the Plan and the provisions of the Declaration and/or By-Laws, the provisions of the Plan shall govern until the First Closing Date, following which, the provisions of the Declaration and By-Laws shall govern.

Material Amendments; Rights of Rescission

In the event of a material amendment to the Plan that adversely affects Purchasers, Sponsor shall grant Purchasers a right of rescission and a reasonable period that is not less than fifteen (15) days after the date of presentation of the amendment offering the exercise of such right. Sponsor shall promptly return the down payment (except for funds used for upgrades or extras) of any Purchaser who elects to rescind conditioned on the Purchaser vacating the Residential Unit if then in possession.

SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION

Sponsor adopts the Description of Property and Specifications prepared by PKSB Architects P.C. ("**Sponsor's Architect**"), contained in Part II of the Plan.

Sponsor anticipates that the construction of the Residential Section will be substantially completed on or before the First Closing Date.

OFFERING PLAN

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807 MANHATTAN AVENUE CONDOMINIUM
1080 LORIMER STREET
BROOKLYN, NEW YORK 11222

PART II

EXHIBIT A TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

PURCHASE AGREEMENT

PURCHASE AGREEMENT

PURCHASE AGREEMENT made this ___ day of _____, 201__ by and between seller_____, as Purchaser, and 807 MANHATTAN AVENUE LLC, As Seller,

R E C I T A L S:

A. The name of the Condominium is **807 Manhattan Avenue Condominium**.

B. The address of the Property is 1080 Lorimer Street, Brooklyn, New York 11222 a/k/a 807 Manhattan Avenue, Brooklyn, New York 11222.

C. The Residential Unit covered by this Purchase Agreement is the Residential Unit designated as Residential Unit Number _____.

D. The Residential Common Interest appurtenant to the Residential Unit is: _____%.

E. If applicable, the Storage Bin Number appurtenant to the Residential Unit is ____.

F. The Purchaser's residence address, if an individual, or business address, if an entity, is: _____

G. The Purchaser's telephone number is _____

H. The Purchaser's social security number or Federal identification number is _____.

I. The Purchase Price of the Residential Unit is: $ _____

J. The Storage Bin License Payment is: $ _____

K. Total Purchase Price $ _____

L. The Down Payment (10%) of Total Purchase Price payable herewith: $ _____

M. The balance of the Total Purchase Price is: $ _____

N. Selling Agent/Broker is: MNS Real Estate (tel) (646) 300-7272

O. Purchaser's Attorney is: Name: _____

Firm: _____

Address: _____

_____

Phone: _____

Email: _____

Fax: _____

P. Seller's Attorney: Stephen D. Chiaino, Esq.
Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP.
1 MetroTech Center, Suite 1701
Brooklyn, New York 11201
Phone: (718) 215-5300
Fax: (718) 215-5304
Email: Schiaino@abramslaw.com

1. The Plan. Purchaser acknowledges that Purchaser has, before signing this Purchase Agreement, received and read a copy of the Condominium Offering Plan for the above named Condominium sponsored by Seller and all amendments thereto, if any, filed with the Department of Law of the State of New York prior to the date hereof. Such Condominium Offering Plan together with any amendments heretofore or hereafter made thereto is hereinafter collectively referred to as the "Plan." The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. Purchaser also acknowledges and agrees that the Plan may be amended from time to time by the Seller and any such amendment shall neither excuse Purchaser from performing any of its obligations hereunder nor entitle Purchaser to any abatement in the Purchase Price. Any such amendments (i) may be made without Purchaser's consent or approval, except as otherwise provided in "Changes in Prices or Residential Units" and the other provisions of the Plan, and (ii) shall not entitle Purchaser to a right of rescission, except as set forth in the Plan. Purchaser acknowledges that Purchaser has had a full opportunity to examine all documents referred to in the Plan including the Plans and Specifications for the Residential Section described in the Plan and investigate all statements made in the Plan. Terms not defined in this Agreement shall have the meanings given them in the Plan.

2. Definitions and Recitals. Terms used herein which are also used in the Plan shall have the same meanings herein as in the Plan unless otherwise defined in the Purchase Agreement or unless the context otherwise requires. The Recitals set forth above are hereby incorporated into the Purchase Agreement.

3. Agreement to Purchase. Seller agrees to sell and convey, and Purchaser agrees to purchase, the above-described Residential Unit together with the above-stated Common Interest appurtenant thereto (collectively "Residential Unit") for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement. If Purchaser has indicated on the first page of this Agreement that a Storage Bin License is included in this Purchase, Purchaser agrees to pay at Closing the Storage Bin License Payment set forth above and, at Closing, to enter into the Storage Bin License Agreement.

4. Payment of the Purchase Price. The Purchaser shall deliver herewith, to the Seller, Purchaser's check to the order of "**ABRAMS FENSTERMAN, AS ESCROW AGENT**" for the amount of the above-stated Down Payment [ten (10%) per cent of the Total Purchase Price], subject to collection. The balance of the Purchase Price shall be paid to Seller at closing. Except for the Initial Down Payment , which is to be paid as provided above, any payments to be made by Purchaser under this Agreement (including, without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Seller, shall be made by unendorsed official bank cashier's check, drawn on a member bank of the New York Clearing House Association payable to the order of the Seller, or to such payees as Seller may direct in writing, subject to collection.

In the event that any check for any payment to be made by Purchaser under this Agreement (including, without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by Purchaser hereunder and Seller may, in that event, cancel this Agreement and notwithstanding such cancellation, be entitled to recover the amount of such check in addition to any other sums Seller may be entitled to under this Agreement and, in such event, Purchaser shall reimburse Seller for the costs and expenses (including, but not limited to, reasonable attorneys' fees) of collection of any such check or other instrument.

5. Closing of Title.

5.1 The closing of title hereunder shall occur at the offices of Seller's attorneys or at such other place as Seller shall designate and at a time and on a date ("Closing Date") designated by Seller which is not earlier than thirty (30) days after the Plan has been declared effective, unless the Closing Date is adjourned by Seller, provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan.

5.2 Seller shall give Purchaser notice of the scheduled Closing Date at least thirty (30) days in advance thereof (the "Initial Closing Notice"). Seller shall have the right to adjourn the date of closing of title from time to time by written notice to Purchaser. If the closing is adjourned by Seller, then Seller shall fix a new date and time for closing and shall give Purchaser not less than ten (10) days' prior written notice of the new scheduled date and time for closing. Closing of title shall occur only after or concurrently with compliance with the prerequisites to closing set forth in the section of the Plan entitled, "Terms of Sale; Closing of Title to Residential Units". Notwithstanding the foregoing, if the date of this Purchase Agreement is after the closing of the sale of the first Residential Unit under the Plan, then the Closing Date shall be that date which is 45 days after the date of this Agreement and Seller shall not be required to give Purchaser the Initial Closing Notice..

5.3 The term "Closing Date" or "Closing of Title" or words of similar import, whenever used herein, shall mean the date designated by Seller on which the deed to the Residential Unit is to be delivered to Purchaser or any adjourned date fixed by Seller pursuant to subsection 5.1 hereof.

6. The Deed and Power of Attorney

6.1 On the Closing Date, upon receipt by Seller of all payments and documents required hereunder, Seller shall deliver to Purchaser a deed to the Residential Unit in substantially the form contained in Part II of the Plan, conveying the Residential Unit to Purchaser as provided in the Plan, subject to the exceptions referred to in the Declaration, By-Laws, the Plan and Exhibits thereto. The deed shall be executed and acknowledged by Seller and Purchaser, and shall be in form for recording. If applicable, Purchaser shall also enter into the Storage Bin License Agreement with Sponsor.

6.2 On the Closing Date and simultaneously with the delivery of the deed conveying the Residential Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Board of Managers prepared by Seller and substantially in the form contained in Part II of the Plan. Purchaser shall pay all recording or other fees in connection with the recording of the power of attorney. The power of attorney may be delivered to Purchaser's title company, if any, for recording and shall be marked for return to the Board of Managers or their attorneys after recording.

6.3 Purchaser agrees that at the Closing Purchaser shall (i) execute and deliver the power of attorney, a copy of which is contained in Part II of the Plan, and other closing documents as requested by the Seller, (ii) pay any net adjustments in favor of Seller, Purchaser's closing costs and fees and any processing fees, as provided in the Plan, and (iii) pay to the Condominium the contribution to the Working Capital Fund required to be made by each purchaser as provided in the Plan, together with all other payments to or deposits with the Condominium as may be provided in the Plan, and (iv) enter into a Storage Bin License Agreement, if applicable.

7. State of Title.

7.1 On the Closing Date, Seller shall convey to Purchaser title in fee simple to the Residential Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. If Purchaser elects to obtain title insurance, Purchaser shall deliver a title report and deliver it to Seller together with any objections to title at least thirty (30) days prior to the Closing Date. Failure to do so shall be deemed a waiver of such objections. Any liens, encumbrances or title conditions that are not included in the Permitted Encumbrances set forth in the Plan shall not be an objection to title if Purchaser's title insurance company is unwilling to issue affirmative insurance at its regular rates and without additional premium, as long as the Preferred Title Company described in the Plan would be willing to do so at its regular rates and without an additional premium (as evidenced by the issuance of the same by the Preferred Title Company in connection with the closing of any other Residential Units in the Condominium).

7.2 Seller shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in the Permitted Encumbrances. However, if such defect existed at least ten (10) days prior to Closing and Purchaser, or Purchaser's attorney failed to send Seller's attorney written notice of such defect in title at least ten (10) days prior to the Closing Date then, for purposes of Article 14 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Seller to correct or remove such title defect shall be considered as being at the request of Purchaser. Notwithstanding the foregoing, delivery of a title report to Seller's attorney at least ten (10) days prior to Closing shall be deemed written notice of any title defect.

7.3 If, subsequent to the Closing, Purchaser claims that Seller did not convey fee simple title to the Residential Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Seller. Seller and Purchaser agree Seller's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Seller. Nothing contained herein shall be construed to waive any of Purchaser's rights or abrogate any of Seller's obligations under the Plan or Article 23-A of the General Business Law. This provision shall survive Closing.

8. Closing Adjustments.

8.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Residential Unit, except as provided in the Plan:

i) If the Residential Unit is separately assessed as of the Closing Date, then, real estate taxes and assessments against the Residential Unit (if any) on the basis of the period for which assessed;

If the Residential Unit is not separately assessed as of the Closing Date, then adjustments for real estate taxes and assessments against the Residential Unit shall be calculated based upon the product of real estate taxes and assessments against the Property (if any) on the basis of the period for which assessed multiplied by the Residential Common Interest appurtenant to the Residential Unit, divided by the aggregate of the Residential Common Interests of all Residential Units at the Property subject to such real estate taxes and assessments;

ii) Common Charges for the month in which title closes;

iii) Accrued rent and any other charges pursuant to the lease, if any, covering the Residential Unit; and

iv) Water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

v) The Storage Bin License Fee, if applicable.

8.2 If the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title.

8.3 If Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the Closing Date originally specified by the Seller (or the originally scheduled closing date specified in this Agreement, as the case may be) and (ii) Purchaser shall pay to Seller, as a late fee, an amount equal to 0.03% times the Total Purchase Price for the Residential Unit for each day's delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date (unless Purchaser closes within fifteen days of the originally scheduled Closing Date). The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Seller postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

8.4 To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Residential Unit or the Property, the Purchaser shall pay to the Seller at the closing for such Residential Unit the amount of any such credit.

8.5 Purchaser agrees that, if Seller obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Residential Unit, Purchaser and Seller will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Residential Unit in question. Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing.

9. Closing Costs. Purchaser, in addition to the legal fees of Purchaser's counsel, if any, and the amount of any net adjustments in favor of Seller and the other payments required under this Agreement shall pay any closing costs specified in the Plan including, without limitation, any processing fees, and closing fees to Seller's attorneys, and other fees and payments provided in the Plan. Without limiting the foregoing, Purchaser shall be required to pay to the Seller or Seller's attorneys a fee for each Residential Unit purchased, which will cover the legal and other fees and expenses of processing the sale of the

Residential Unit, at the same time as the balance of the Purchase Price for the Residential Unit is due and payable hereunder, as follows:

i. Basic fee for the closing of sale, without financing (including, without limitation, preparation of the Residential Unit Deed and Power of Attorney, and coordinating and attending the closing as set forth in the Plan) -- $ 3,000.

ii. Additional attendance fee if, at the request of Purchaser, the closing does not occur at the Property, a location designated by Sponsor, or Sponsor's attorney's office--$750 (in no event shall Sponsor be required to close at a location outside of New York City).

iii. Additional fee if the closing is adjourned due to either the fault of Purchaser or at Purchaser's or Purchaser's lender's request -- $500 for each time closing is so adjourned.

iv. If a purchaser defaults under a Purchase Agreement, $750 for each default letter sent by Sponsor's attorney.

v. If a purchaser assigns a Purchase Agreement (subject to Sponsor's consent thereto), $1,250 for review, and attention to, such assignment.

The Purchaser further agrees to pay at the closing of title the following costs that apply to the closing of any purchase money loan to finance the purchase: the actual cost of title examination; cost of mortgage title insurance; bank attorneys' fees for preparation of the documents necessary for the mortgage loan; mortgage origination fees; bank credit and appraisal fees; survey costs; mortgage recording taxes; private mortgage insurance (if applicable); and any other governmental charges assessed on a loan. The Purchaser shall pay the premium for a fee title insurance policy if such coverage is desired.

10. Real Property Transfer Tax. Purchaser shall pay all real property transfer taxes (including, without limitation, the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax), recording and other fees in connection with this transaction and the recording of the deed. Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying such taxes instead of the Seller. Seller and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Seller. Purchaser shall also pay the "Mansion Tax", if any, due New York State. Purchaser will indemnify Sponsor from and against any and all liability and expenses (including, without limitation, reasonable attorneys' fees) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder, such indemnification to survive closing.

11. Down Payment to be held in Trust. The Down Payment paid by Purchaser hereunder on account of the Purchase Price of the Residential Unit, together with all interest accrued thereon, if any (collectively the "Deposit"), will be placed in an account in conformity with the provisions set forth below. Seller will comply with the escrow and trust fund requirements of Section 71-a of the Lien Law and General Business Law Sections 352-e (2-b) and 352-h and the New York State Attorney General's regulations promulgated pursuant thereto. Purchaser shall not be obligated to pay any legal or other expense of the Seller in connection with the handling or disposition of the Deposit paid by Purchaser. However, nothing in the preceding sentence shall limit the obligation of Purchaser to pay the fees and expenses of the Seller's attorneys as set forth herein or in the Plan in connection with the purchase or closing of the Residential Unit purchased by Purchaser under the Plan.

The Deposit will be deemed to have been unconditionally tendered when it is delivered to the Selling Agent, together with this Purchase Agreement in the form agreed to by the Seller

and signed by the Purchaser, without any request for a change in such form or the terms of the Purchase Agreement and accompanied by a properly completed and executed Form W-9. The Deposit will be placed, within five business days after the date on which such Deposit has been unconditionally tendered in a special escrow account of Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP (hereinafter the "escrow agent"), whose address is 1 MetroTech Center, Suite 1701, Brooklyn, New York 11201 and whose telephone number is (718) 215-5300. The signatories on this escrow account, who are authorized to withdraw funds, are Lawrence F. DiGiovanna, Esq., Mark J. Caruso, Esq. and Frank V. Carone, Esq. The name of the escrow account is "Abrams Fensterman, Attorney Trust Account" (the "escrow account"), and such escrow account is located in Hanover Community Bank, 71-17 Austin Street, Forest Hills, NY 11375 (the "Bank"). The Bank is covered by federal bank deposit insurance generally to a maximum of $250,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limit, amounts deposited directly by such person and Deposits held in escrow for such person by the escrow agent). **If Purchaser makes a Deposit in excess of $250,000 for the purchase of a Residential Unit, or if the amount of such Purchaser's deposits at the Bank and such Deposit exceed $250,000, the aggregate of such Deposit and all other such deposits will generally not be federally insured in excess of $250,000.**

Seller, Purchaser and the Escrow Agent have executed a separate Escrow Agreement simultaneously with the execution of this Purchase Agreement. The terms of the Escrow Agreement are hereby incorporated into this Purchase Agreement.

12. Binding Effect of Declaration, By-Laws and Rules and Regulations. Purchaser hereby accepts and approves the Plan including, without limitation, the Declaration, and By-Laws, Residential By-Laws and Rules and Residential Regulations thereunder contained therein and agrees to abide and be bound by the terms and conditions thereof, including, without limitation, the Condominium's smoking policy which is set forth in the Rules and Regulations and reads as follows: Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in all indoor and other outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment. Residential Unit

13. Agreement Subject to Mortgage. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage against the Residential Unit or the Property, or any part thereof or any interest therein, heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with any schedule of payments or accelerated by virtue of the right of the lender to make advances before they become due in accordance with the schedule of payments. Seller shall, at its option, either satisfy such mortgages or obtain a release of the Residential Unit from the lien of such mortgages

on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Residential Unit shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Seller, provided that the Residential Unit is released from, or not subject to, the lien of any such mortgage.

14. Default by Purchaser. If Purchaser shall (a) fail to pay any installment of the Purchase Price or any other payment when due as herein provided (including, without limitation, if any check made or delivered by the Purchaser hereunder is dishonored), (b) fail to execute the power of attorney, New York City and New York State real property transfer tax returns or any other documents, as herein provided, (c) fail to pay any closing costs or other payments due and payable pursuant to this Agreement or the Plan, or (d) default in the performance of any of Purchaser's other obligations hereunder, Seller shall have the right to cancel this Agreement by giving notice to Purchaser and to proceed against Purchaser as provided below. At the expiration of thirty (30) days after the date of giving of the cancellation notice (unless Purchaser shall have theretofore cured Purchaser's default) this Agreement shall be deemed canceled and (i) Seller shall be entitled to the amount due and payable upon execution of this Agreement and any amounts paid hereunder (but not exceeding the sum of 10% of the Purchase Price hereunder plus all costs incurred for any special work ordered by Purchaser), together with interest earned thereon, if any, as and for liquidated damages, (ii) Seller shall have the right to sell the Residential Unit to others as though this Agreement had never been made and (iii) Purchaser shall not have any further rights against or obligations to the Seller, the Condominium, or any purchaser of the Residential Unit. Whether or not Seller has canceled this Agreement as provided above, if Seller has not collected the proceeds of any check for any payments due under this Agreement, then Seller may take such actions at law and in equity as may be required in order to collect the same. **TIME IS OF THE ESSENCE FOR A PURCHASER TO CURE A DEFAULT WITHIN THIRTY (30) DAYS OF SPONSOR'S WRITTEN NOTICE OF DEFAULT TO PURCHASER.** In addition to the right to retain the liquidated damages described in this Paragraph, Seller shall have the alternative right to seek specific performance against Purchaser.

15. Interim Leases and Default or Rescission. If Purchaser is or becomes a tenant at the Property pursuant to an Interim Lease for the Residential Unit, and Purchaser shall default in such Interim Lease, then Seller may elect to terminate the Interim Lease and such default shall be deemed a default under this Agreement. The provisions of this Agreement shall not limit any other rights or remedies at law or in equity or under the Interim Lease which Seller or any other party may have by reason of such default under the Interim Lease. The right is reserved to the Seller to apply any rent security against any rent arrearage or other default and in addition to sue any tenant to the extent such rent security is insufficient. Notwithstanding the foregoing, before Seller may utilize the default under the Interim Lease to declare a default under this 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 Residential Unit.

16. Agreement Subject to Plan Being Declared Effective. The performance by Seller of its obligations under this Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned at any time prior to its becoming effective as provided in the Plan and thereafter upon certain terms and conditions as provided in the Plan. If the Plan is abandoned or does not become effective or if after being declared effective the Plan shall not be consummated for any reason, then this Agreement shall be deemed canceled and the Plan terminated on the date specified in a notice thereof by the Seller to the Purchaser. Within forty-five (45) days thereafter Purchaser shall receive a refund in full of all moneys paid by him hereunder with interest earned thereon, if any, and, upon such refund neither

party shall have any further rights, obligations, or liability to or against the other or the Condominium under this Agreement and the Plan.

17. Seller's Inability to Convey Marketable Title. If Seller is unable to deliver marketable title to the Residential Unit to Purchaser subject to the exceptions set forth in the Plan in accordance with the provisions of this Agreement and the Plan, Seller shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Seller elects to attempt to cure such inability then it shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete such cure. However, Seller may notify Purchaser at any time of its refusal either to cure or to continue to cure, as the case may be, such inability and if Purchaser is not in default hereunder, Purchaser shall have the option to (a) take title to the Residential Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Seller for damages or otherwise) or (b) terminate this Agreement and this shall be the sole right of Purchaser if Seller does not cure such inability. If Purchaser so elects to terminate this Agreement, Seller shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other under this Agreement and the Plan. The foregoing option must be exercised by notice of Purchaser in writing to Seller within ten (10) days after the giving of Seller's notice of refusal to cure such inability. If Purchaser fails to give such notice to Seller within said ten (10) day period, it shall be conclusively deemed that Purchaser has elected to acquire title to the Residential Unit subject to such inability as aforesaid.

18. Construction. (a) The Seller shall complete the improvements to the Property contemplated under the Plan in accordance with the terms and conditions of the Plan. Purchaser acknowledges and agrees that, among other things, under the Plan the Seller has the right to modify and amend the Plans and Specifications including among other things in order to substitute materials, equipment or fixtures, all in accordance with the terms and conditions of the Plan. Purchaser also acknowledges and agrees that (i) completion of the improvements will occur in accordance with the provisions of the Plan notwithstanding the fact that there may be small number of insubstantial items, such as the type of items listed in Exhibit A to this Purchase Agreement, which remain uncompleted as of the Closing Date within the Residential Unit covered by this Agreement or in the Property and (ii) no escrow will be required in connection therewith. Seller however will be obligated to complete any uncompleted portions of the alterations in accordance with the Plans and Specifications as of the Closing Date after the closing. In connection therewith, Purchaser shall permit Seller and its designees access to the Residential Unit for the purpose of completing any such alterations in accordance with the provisions of the Plan or to satisfy any of Seller's other obligations under the Plan or under any purchase agreement for a Residential Unit. This provision shall survive Closing.

(b) The Purchaser acknowledges and agrees that: (i) any of the obligations of Seller under this Agreement or the Plan are subject to acts of God, strikes, lockouts, weather, floods, epidemics, quarantine restrictions, freight embargo, shortages of or inability to obtain adequate materials, equipment or labor, governmental restrictions or preemptions, damage by fire or the elements, war, acts of terrorism, force majeure or any other cause over which the Seller does not have control and the period within which Seller must complete any of its obligations, if any, shall be extended by the period of such delay; and (ii) Seller will not be liable to Purchaser for any delay in completing its obligations hereunder or under the Plan or closing hereunder except as set forth in the Plan and provided under applicable law and regulations..

19. Fixtures, Appliances and Personal Property. Only those appliances, fixtures, furnishings and items of personal property which are described in the Plan as being part of the Residential Unit and are actually located in the Residential Unit on the Closing Date are included in the sale of the Residential Unit pursuant to the provisions of this Agreement. Purchaser acknowledges and agrees that other than as expressly provided in the Plan, Seller makes no representation in connection with such appliances, fixtures, furnishings and items of personal property and Seller expressly disclaims any implied warranties of merchantability or fitness for a particular purpose.

20. Limited Warranty Rider. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is applicable to this offering which applies to new single family homes or new for-sale Units in a multi-Residential Unit residential structure of 5 stories or less in which title is transferred to Owners under a condominium or cooperative regime. Pursuant to the terms of this law, Sponsor is giving a Limited Warranty to Purchasers which provides for a Limited Warranty on certain items and is described more fully in the attached Rider hereto. Unless caused by a violation of the sound transmission code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code, there is no warranty as to odors. Unless caused by code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to air, view or light quality. Sponsor's obligation, regardless of any limitations in the Plan or this Agreement, is to build the Residential Section in accordance with Law and the Plan and DOB Plans and Specifications identified in the Plan, and any conflict between the disclaimers and Sponsor's obligation to build the Residential Section in accordance with Law and DOB Plans and Specifications identified in the Plan shall be resolved in favor of the latter. Any exclusion or modification that does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such standard, a locally accepted building practice, shall be void as against public policy. In no event will Sponsor be liable for incidental or consequential damages in connection with the items set forth in this subsection (whether based on negligence, breach of contract, warranty, or otherwise). See paragraph number 5 of the Section entitled "**Rights and Obligations of Sponsor**" in Part 1 of the Plan for further discussion of the limitations of Sponsor's liability.

21. Acceptance of Residential Unit and Storage Bin.

21.1 Purchaser shall accept title to the Residential Unit and become the Licensee under the Storage License Agreement, if applicable, (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the Closing of Title) notwithstanding the failure to complete construction of (a) the "punch list" items in the Residential Unit, (b) other Residential Units and (c) the Common Elements of the property which do not prevent Purchaser's use of the Residential Unit provided that Sponsor delivers a Temporary Certificate of Occupancy covering the Residential Unit. The Residential Unit and the fixtures and personal property contained therein, if any, are being sold and delivered as described in the Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree or except as otherwise provided herein. Following service of the Initial Closing Notice set forth in Section 5 of this Agreement, Purchaser, accompanied by a representative of Sponsor, shall have the right to inspect such Residential Unit prior to the Closing Date on such date and at such time designated by Sponsor upon no less than five (5) Business Days' notice that the Residential Unit is available for inspection and Sponsor reserves the right to postpone and/or reschedule any scheduled inspection(s) of the Residential Unit upon one (1) Business Days' notice and Sponsor reserves the right to schedule additional inspections as Sponsor deems necessary or appropriate. Immediately following the inspection(s) described above, the Purchaser shall complete, sign and deliver to the Seller an Inspection Statement in the form of **Exhibit A** to this Agreement, showing the condition of

the Residential Unit and Storage Bin, if applicable. Purchaser acknowledges and agrees that: (i) acceptance by the Seller of the Inspection Statement shall not constitute an agreement by the Seller to cure the exceptions noted therein, and Seller's sole obligation with respect to the same shall be as provided in the Plan; (ii) subject to the requirements of applicable law and regulations, including those promulgated by the Attorney General, notwithstanding the fact that there may be construction items noted on the inspection statement which Seller has the obligation to correct under the Plan, Purchaser shall nonetheless be obligated to close on the Closing Date and pay the full purchase price without provision for any escrow. The Purchaser will sign and deliver a separate statement signifying its satisfaction with each item excepted in Exhibit A, if any, immediately upon completion of the repair and adjustment or correction of the same. The Purchaser also acknowledges and agrees that the Seller shall not be obligated to make any repairs, adjustments or corrections to the Residential Unit, Storage Bin or any portion thereof or its fixtures, appliances, equipment, etc., contained therein from and after the date of delivery of possession of the Residential Unit to the undersigned, except for those items, if any, expressly excepted in Exhibit A. To the extent that, under the Plan, Seller is required to make repairs, adjustments or corrections for the excepted items set forth in Purchaser's Inspection Statement, Seller's obligation regarding any such excepted items shall cease upon either the completion of the respective repair, adjustment or correction or the assignment to the Purchaser of any applicable warranty covering the same. Nothing contained herein shall be construed to expand Seller's obligations to correct defects in construction beyond the extent required under the Plan and on the terms and conditions set forth therein. If Purchaser fails to attend the scheduled inspection of the Residential Unit and Storage Bin, if applicable, Purchaser shall be deemed to have waived the right to require Sponsor to correct any punch-list items and patent defects with respect to the Residential Unit and Storage Bin, if applicable. The failure of Sponsor to complete "punch list work" shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such "punch list work" within a reasonable period of time after Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser and agreed to by Sponsor on the Inspection Statement and Sponsor shall have no obligation to escrow funds at Closing for completion of "punch list work."

21.2 Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Residential Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" and except under the Limited Warranty.

21.3 Sponsor will maintain the Residential Unit and the fixtures and personalty contained therein, prior to the Closing Date.

21.4 The provisions of this Section 21 shall survive the Closing of Title.

22. Damage to the Residential Unit. If between the date of this Agreement and the Closing Date, the Residential Unit is damaged by fire or other casualty, the following shall apply:

22.1. The risk of loss to the Residential Unit by fire or other casualty until the earlier of (a) the Closing Date or (b) possession of the Residential Unit by Purchaser, is assumed by Seller, but without any obligation of or liability by Seller to repair or restore the Residential Unit or the Property. If Seller elects to repair or restore the Residential Unit, then this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject

title or receive a credit against, or abatement in, the Purchase Price, and Seller shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to Seller and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Seller. The provisions of the preceding sentence shall survive the closing of title.

22.2 If the Seller notifies Purchaser that it does not elect to repair or restore the Residential Unit or, if the Declaration has been recorded prior thereto, there is damage to part of the Residential Section other than the particular Residential Unit covered by this Agreement and the Residential Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, then provided that the Purchaser has not assumed the risk of loss by taking possession of the Residential Unit, this Agreement shall be deemed terminated, and provided Purchaser is not then in default under this Agreement, Seller shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party shall have any further rights, obligations or liability to or against the other hereunder and under the Plan.

22.3 If the Purchaser has assumed the risk of loss, then this Agreement shall continue in full force and effect but without any obligation of or liability by Seller to repair or restore the Residential Unit or the Property and upon closing hereunder, subject to the rights of any holder of a mortgage affecting the Residential Unit, Seller shall turn over to Purchaser the net proceeds (after legal and other expenses of collection) actually collected by Seller under the provisions of such insurance policies, if any, covering such damage to the extent that they were attributable to such damage to the Residential Unit, less any sums expended or incurred by Seller for restoration of the Residential Unit, and the Seller shall assign, without recourse, Seller's right to any insurance payments, not yet received by Seller attributable to such damage to the Residential Unit, less any unrecouped sums therefore expended or incurred by Seller for the restoration of the Residential Unit and any legal and/or other expenses of collection.

23. No Representations. Purchaser acknowledges and represents that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, or otherwise, including, but not limited to, any relating to the description or physical condition of the Property or the Residential Unit, or the size or the dimensions of the Residential Unit, or any other physical characteristics thereof, the services to be provided to Residential Unit Owners, the estimated Common Charges allocable to the Residential Unit, the estimated real estate taxes on the Residential Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented. No person has been authorized to make any representations on behalf of Seller except as herein or in the Plan specifically set forth; Purchaser having relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Residential Unit. No oral representation or statements shall be considered a part of this Agreement. The Purchaser agrees that the Seller and its agents and contractors will have no liability to the Purchaser nor shall Purchaser be relieved of any of its obligations hereunder if there is a minor error or inaccuracy in the layout or dimensions of the Residential Unit or of the Common Elements or any Limited Common Elements of the Condominium as shown on the Floor Plans or the Plans and Specifications so long as the layout and dimensions conform substantially to the plans and specifications as they may be changed when permitted by the Plan.

24. Broker. Purchaser represents to Seller that Purchaser has not dealt with any broker other than the Selling Agent or broker identified in the Recitals of this Agreement (collectively, the "Selling Agent"), in connection with this transaction. Purchaser agrees that should any claim be made against Seller for commissions by anyone other than the Selling Agent, based on alleged dealings with Purchaser or Purchaser's representatives, Purchaser shall (i) give testimony to such effect in any case, action or proceeding by any broker other than the Selling Agent, and (ii) indemnify and hold Seller harmless from and against any and all liabilities, claims, damages, costs and expenses (including but not limited to reasonable attorneys' fees) in connection therewith. The provisions of this paragraph shall survive the closing of title.

25. Assignment. Purchaser shall not have the right to assign this Agreement without the prior written consent of Seller. If the Seller consents to such assignment, the Seller and/or its designees shall be paid by the Purchaser such additional fees as the Seller specifies. Seller may assign this Agreement without limitation. Sponsor will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by applicable law.

26. Purchaser's Representations. Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at any time, such documents evidencing Purchaser's authority and the authority of Purchaser's signatory as may be required by Purchaser's title company or Sponsor. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history and intended occupancy of the Residential Unit. In order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, Purchaser hereby authorizes Sponsor, if Sponsor elects in its sole discretion, to obtain such information and to retain a credit reporting agency to obtain such information.

26.1 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, an individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a Residential United States citizen, entity organized under the laws of the Residential United States or its territories or entity having its principal place of business within the Residential United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under Residential United States law, regulations, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interaction to types approved by OFAC or otherwise). Neither Purchaser or any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the Closing of Title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under Residential United States law, regulation, executive orders and lists published by the OFAC or otherwise.

26.2 Purchaser has taken and shall continue to take until the Closing of Title, such measures as are required by applicable Law to assure that the funds used to pay to Sponsor the Purchase Price are derived: (i) from transactions that do not violate Residential United States law nor, to the extent such funds originate outside the Residential United States, do not violate the laws of the jurisdiction in which they

originated; and (ii) from permissible sources under Residential United States law and to the extent such funds originate outside the Residential United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at Closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as we4ll as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957, as each of said laws may be amended from time to time.

26.3 The Director of the Financial Crimes Enforcement Network of the U.S. Department of the Treasury issued a Geographic Targeting Order (the "GTO") effective November 15, 2018. The GTO requires title insurance companies to collect and report any information about the persons involved in certain residential real estate transactions as described in greater detail in the Plan. A copy of the GTO can be found at:

https://www.fincen.gov/sites/default/files/shared/Real%20Estate%20GTO%20GENERIC_111518_FINAL.pdf.

Purchaser shall comply in all respects with Purchaser's title insurance company's request(s) for information pursuant to the GTO, at Purchaser's sole cost and expense. Purchaser's failure to comply with such request or to otherwise comply with the GTO shall not relieve Purchaser of Purchaser's obligations to close title to the Residential Unit on the scheduled Closing Date.

For so long as the GTO remains in effect, its reporting requirements shall apply to Purchaser and Purchaser's purchase of the Residential Unit.

26.4 The provisions of this Article shall survive the closing of title to the Residential Unit or termination of this Agreement.

27. Possession of Residential Unit and Purchaser's Work. Purchaser shall not be entitled to possession of the Residential Unit or Storage Bin, if applicable until after the closing has occurred under this Agreement. The Purchaser shall not make any alterations or installations (by himself or with any of Purchaser's contractors) in the Residential Unit or Storage Bin, if applicable, and the Purchaser will not make any applications (with respect to such alterations or installations) to any governmental entity, until the later of (i) the date that the Closing has occurred under this Agreement and (ii) the date that a new permanent certificate of occupancy with respect to the Residential Section has been obtained after the completion of the work described in the Plans and Specifications. This provision shall survive Closing.

28. Right to Rescind. Unless Purchaser has received a copy of the Plan and all filed amendments thereto at least three (3) days before signing this Agreement, Purchaser may rescind this Agreement for a period of seven (7) days after the date of this Purchase Agreement by giving notice of rescission to the Seller prior to the expiration of said seven (7) day period. In the event Purchaser exercises Purchaser's option to rescind this Agreement, then in that event all moneys paid by Purchaser on account of the Purchase Price hereunder shall be refunded to Purchaser within ten (10) days after the expiration of the aforesaid seven (7) day period. If Purchaser does not give a rescission notice to the Seller within the aforesaid seven (7) day period, this Agreement will become binding upon the Purchaser upon the expiration of said period.

29. Binding Effect. Purchaser acknowledges that, except as provided below, this Agreement will not be binding on the Seller until a fully executed counterpart of this

Agreement has been delivered to Purchaser or Purchaser's attorney. Within twenty (20) days after delivery to the Seller of three (3) copies of this Agreement (with the terms, including, without limitation, the Purchase Price, and in the form which has previously been provided by the Seller) executed by Purchaser, together with the above-stated Down Payment, the Seller shall either (i) accept this Agreement and return one fully executed copy thereof to Purchaser or Purchaser's attorney or (ii) reject this Agreement, by giving to Purchaser or Purchaser's attorney notice thereof together with a refund of the above-stated Down Payment with interest earned thereon, if any. If Seller takes no action within said twenty (20) day period, then in such event this Agreement (with the terms and in the form provided above) shall be deemed canceled.

30. Working Capital Fund Contribution. On the Closing Date, Purchaser shall pay to the Board of Managers a sum equal to two (2) months' Common Charges with respect to the Residential Unit purchased as initial working capital for the Condominium as provided in the Plan; provided that if Seller has already paid such contribution to the Working Capital Fund for the Residential Unit, then such amount shall be paid instead to Seller to reimburse Seller for such contribution to the Working Capital Fund attributable to such Residential Unit.

31. Notices. Notices hereunder shall be in writing and shall be personally delivered or mailed by registered or certified mail, return receipt requested, or by overnight courier, as follows: to Purchaser, at the address stated in this Agreement; and to the Seller at 38 West 28th Street, New York, New York 10016, with a copy to Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP, 1 MetroTech Center, Suite 1701, Brooklyn, New York 11201; Attention: Lawrence F. DiGiovanna, Esq.. Notices shall be deemed given when personally delivered or mailed. Any of the parties noted in this paragraph may change their address for purposes of this paragraph by giving notice thereof to the other parties as provided above. Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP may give notice on behalf of the Seller.

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

33. Cost of Enforcing And Defending Agreement. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in successfully defending or enforcing Sponsor's rights under this Agreement or in the event of an Event of Default or if Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise defending or enforcing Purchaser's obligations hereunder as the prevailing party in any litigation. The provisions of this Section 33 shall survive the Closing of Title or earlier termination of this Agreement.

34. Survival of Seller's and Purchaser's Obligations. All of the obligations of Seller under this Agreement shall be deemed satisfied upon delivery of the deed to the Residential Unit and the closing of title hereunder and no obligations of Seller shall survive delivery of the deed except as otherwise expressly provided in this Agreement or the Plan. Except where the context otherwise requires, all the representations, warranties, and obligations of Purchaser under this Agreement shall survive delivery of the deed and the closing of title hereunder.

35. Further Assurances. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments, and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or any transaction contemplated herein or to confirm any of the obligations of Purchaser hereunder or any right to be created or transferred hereunder or pursuant to any such transaction.

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

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

38. Governing Law, Venue and Jurisdiction. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law. All disputes arising, directly or indirectly, out of or relating to this Agreement may be adjudicated in the state courts of New York or federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement or the Condominium Documents. Venue in any suit, action or proceeding brought in state court shall be in Kings County and venue in any suit, action or proceeding brought in federal court shall be in the Eastern District of New York.

39. Waiver of Jury. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement, or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate any such claim with, any action or proceeding in which a jury trial is waived. This provision shall survive Closing.

40. No Recordation. This Agreement shall not be recorded by Purchaser without Seller's consent. Any purported recordation thereof by Purchaser shall be void and constitute a default by Purchaser hereunder.

41. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties hereto and constitutes the entire agreement between them. Purchaser acknowledges and agrees that the Plan may be amended by Seller from time to time as provided in the Plan and that this Agreement may be amended by Seller to conform to the provisions of any such amendment by delivering to Purchaser a notice thereof (which notice may consist of a copy of any such amendment), subject however to any rights which Purchaser may have as provided in the Plan.

42. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The term "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used unless the context otherwise requires.

43. 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.

44. Successors and Assigns. The provisions of this Agreement shall bind Purchaser and Purchaser's heirs, legal representatives, successors and assigns and inure to the

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

45. Lease Termination. If Purchaser is or will be a tenant before the Closing Date, then by executing and delivering this Agreement such tenancy hereby terminates as of the Closing Date of the Residential Unit.

46. 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 at the time of execution hereof, in a separate written agreement signed by the parties or in an amendment to the Plan as provided in Section 40 above.

47. Counterpart Signatures. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

48. Counterpart/Facsimile/PDF Signatures. The delivery of executed counterparts of this Agreement by a party hereto or their attorney by facsimile, pdf or other similar electronic means shall be given the same force and effect as delivery of an original executed counterpart of this Agreement.

49. Prohibition Against Advertising And Selling. Prior to Closing of Title to the Residential Unit, Purchaser shall not list the Residential Unit for resale or rental with any broker or listing system or advertise or otherwise offer, promote or publicize the availability of the Residential Unit for sale, without Sponsor's prior written consent, which may be withheld or delayed, in Sponsor's sole and absolute discretion. In addition, Purchaser may not advertise, list with any broker or in any listing system or sell or lease the Residential Unit for twelve (12) months after acquisition of the Residential Unit from Sponsor; provided, however, such limitation shall not apply from and after the date that Sponsor has conveyed title to all of the Residential Units. Any such conveyances in violation of the foregoing will be voidable by Sponsor. Notwithstanding the foregoing, Purchaser may convey the Residential Unit to an immediate family member, a trust for an immediate family member or any entity of which Purchaser is the controlling party (i.e., Purchaser owns more than 50% of the shares, stock or membership interest, however characterized, of such entity). Any such action by Purchaser in violation of the terms of the Plan will be deemed a material default under this Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Down Payment made by Purchaser, together with interest earned thereon. The provisions of this Section 49 shall survive the Closing of Title.

50. Seller's Right to Make Changes in Materials, etc. The Seller reserves the right to make changes or substitutions of materials or construction for items as set forth in the Offering Plan or the Plans and Specifications, provided any such changes are of comparable value and quality.

51. Closing Deed. The closing deed shall be in proper statutory form for recording; shall be Bargain and Sale with covenant against grantor's acts; shall be duly executed and acknowledged by the Seller and Purchaser at the Seller's expense and shall contain such a description of the premises as shall be acceptable and/or approved so as to validly convey under Article 9-B of the New York Real Property Law (the "Condominium Act") the Residential Unit and the undivided interest in the Common Elements referred to herein.

52. Waiver of Diplomatic or Sovereign Immunity.

52.1 The provisions of this Section shall survive the Closing or the termination of this Agreement for the purpose of any suit, action or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

52.2 Purchaser represents that Purchaser **is** – **is not** [strike language as appropriate] a foreign government, a representative of a foreign government or other person or entity otherwise entitled to diplomatic immunity or sovereign immunity.

52.3 Purchaser represents that Purchaser **is** – **is not** [strike language as appropriate] a foreign mission, as such term is defined under the Foreign Missions Act, 22 USC Section 4305.

52.4 If Purchaser **is** a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic immunity or sovereign immunity, Purchaser hereby designates United Corporate Services, Inc., having its offices, at the date hereof, at 10 Bank Street, White Plains, New York 10606, as a duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or federal, suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents as same are described in the Plan.

52.5 If Purchaser **is** a foreign mission, as such term is defined under the Foreign Missions Act, 22 USC Section 4305, Purchaser shall notify the United States Department of State prior to purchasing a Residential Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of (i) notification of approval is received from the Department of State, or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

52.6 Purchaser hereby irrevocably waives, to the fullest extent permitted by law, any and all immunity from suit or other actions or proceedings and agrees that, should Seller or any of its successors or assigns or the Board of Managers of the Condominium bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement or under the Condominium Documents ("**Litigation**"), (i) no immunity from such suit, action or proceeding will be claimed or asserted by or on behalf of Purchaser, by way of motion, as a defense or otherwise in any such Litigation, (ii) no objection to the laying of venue shall be made by Purchaser; (iii) no claim that such Litigation has been brought in an inconvenient forum shall be made by Purchaser, and (iv) no claim that it is not subject to personal jurisdiction of such courts shall be made by Purchaser.

52.7 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the foregoing waivers and consents contained in this Section 51.

52.8 If Purchaser **is** a foreign government, a resident representative of a foreign government, a foreign mission or such other person or entity otherwise entitled to diplomatic immunity or sovereign immunity, Purchaser shall at Closing deposit with the Board an amount equal to two years' estimated Common Charges to be held to secure Purchaser's obligation to pay Common Charges, Assessments and other obligations under the Declaration and By-laws.

53. Performance. Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be ,made or condition performed on the next business day succeeding such Saturday,

Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

54. Resale Fee.

54.1 In the event that Purchaser enters into an agreement ("Resale Agreement") to sell such Residential Unit prior to the first anniversary of the First Closing ("Resale"), Purchaser shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Purchaser will be required to provide Sponsor with notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by Purchaser (to the extent applicable): (i) brokerage commissions not exceeding 6% in the aggregate; (ii) transfer taxes imposed by Law, if paid for by Purchaser, and (iii) actual legal fees not exceeding $5,000, and (B) the Purchase Price under this Agreement.

54.2 The Resale Fee shall be paid to Sponsor by wire transfer at the Closing of the Resale. Any deductions for allowable expenses paid by Purchaser must be supported by documentation acceptable to Sponsor. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. The provisions of this Section shall survive the Closing of Title.

55. Certification Of Sponsor And Principals. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual Residential Unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al. 106 A.O. 3d 542 (1st Dept. 2013).

56. Confidentiality. Seller and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential, except that Seller shall be permitted to disclose that a Purchase Agreement has been executed for the Residential Unit and the purchase price thereunder, but not the identity of Purchaser or its principals. Seller and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, brokers, architects/engineers, accountants, lenders, Escrow Bank and individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Seller or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Seller to the default remedies set forth in this Agreement.

57. Lead Paint. By signing below, Purchaser affirms that Purchaser has read this Agreement and fully understands the terms. Purchaser also understands that that the Rider attached hereto entitled “Lead-Based Paint Rider to Purchase Agreement” is to be executed by the undersigned.

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement the day and year first above written.

Purchaser(s): _____

_____

Seller: **807 MANHATTAN AVENUE LLC**

By: _____
Martin Nussbaum
Authorized Signatory

LIMITED WARRANTY RIDER

TO PURCHASE AGREEMENT DATED ,20 BY AND BETWEEN 807 MANHATTAN AVENUE, LLC, AND , AS PURCHASER.

LIMITED WARRANTY

NAME OF PURCHASER(S): _____

_____

ADDRESS OF PURCHASER(S): _____

_____

_____

DESIGNATION OF RESIDENTIAL UNIT WARRANTED: _____

NAME OF SELLER: 807 MANHATTAN AVENUE, LLC

ADDRESS OF SELLER: 38 East 29th Street, New York, New York 10016

EFFECTIVE DATE OF THIS LIMITED WARRANTY:	The date that Purchaser or its family shall first occupy the Residential Unit Warranted or the date of delivery of the deed to such Residential Unit to Purchaser, whichever occurs first.
SELLER'S LIMIT OF TOTAL LIABILITY	In no event shall the Seller's total liability to Purchaser under this Limited Warranty exceed fifty (50%) percent of the purchase price of the Residential Unit exclusive of options and less, any insurance proceeds received by Purchaser (the "Maximum Liability of Seller").

THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, AND INDIRECT DAMAGES.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE RESIDENTIAL UNIT AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE RESIDENTIAL UNIT.

1. To Whom Given. This Limited Warranty is given to the Purchaser named on page I while the Purchaser owns the Residential Unit. IT DOES NOT EXTEND TO SUBSEQUENT OWNERS, HEIRS, TENANTS OR MORTGAGEES IN POSSESSION OF THE RESIDENTIAL UNIT, ANYONE WHO MAY SUCCEED TO THE RIGHTS OF PURCHASER OR ANY OTHER PERSONS.

3. By Whom Made. This Limited Warranty is made exclusively by the Seller whose name and address appear on page 1.

4. Final Inspection of the Residential Unit. Before the Purchaser moves into the Residential Unit or accepts the deed, the Seller will schedule an appointment for final inspection of the Residential Unit with the Purchaser. The purpose of this final inspection is to discover any defects of a visible, obvious or patent nature, or any other unfinished work.

All defects found on final inspection of the Residential Unit will be itemized on a Final Inspection Sheet, which will be signed by the Purchaser and the Seller before occupancy of the Residential Unit or delivery of the deed.

5. Warranty Coverages and Periods. The Warranty Period for all following coverage beings on the Effective Date of this Warranty shown on page I of this warranty.

FIRST YEAR BASIC COVERAGE: for one year from the Effective Date of this warranty, the Residential Unit will be free from latent defects that constitute:

(e) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(f) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller;

(g) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller; or

(h) defective installation of appliances sold as part of the Residential Unit by the Seller or an agent, employee or subcontractor of the Seller.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by the Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

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

The Plumbing System refers to the gas supply lines and fittings; water supply, waste and vent pipes and their fittings; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System refers to all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System refers to all duct work, steam, water and refrigerant lines, registers, convertors, radiation elements and dampers.

Except by reason of a defect in installation by Seller, this major system coverage does not include defects in appliances, fixtures and items of equipment.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

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

(a) defective workmanship by the Seller, or an agent, employee or subcontractor of the Seller;

(b) defective materials furnished by the Seller, or an agent, employee or subcontractor of the Seller; or

(c) defective design, provided by an architect, engineer, surveyor, or other design professional retained exclusively by the Seller.

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

Damage to the following non-load bearing portions of the Residential Unit are not covered by this six-year coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in basement that are built separately from foundation walls or other structural elements of the Residential Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; and insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

In all coverages under this Paragraph 4, workmanship, materials, design and installation will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the applicable building code of the municipality in which the Residential Unit is located, in effect on the date that the building permit for the Residential Unit was issued, as supplemented by the annexed locally accepted building standards and practices.

ALL TIME PERIODS FOR THESE COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

6. Exclusions From All Coverages. The following are not covered by this warranty.

(a) patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Residential Unit prior to the Effective Date of this warranty ought to have revealed;

(b) defects in recreation facilities, if any; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); and any other improvements not a part of the Residential Unit itself;

(c) raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; shading variations and fading of natural material on all cabinets, appliances, vanities, doors, fixtures, floors, counter tops, vanity tops and all exterior surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on fascias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows, window sashes, sliding doors, screens, electric fixtures and globes, woodwork, doors, interior painted surfaces, sinks, tubs, bowls, counter tops, vanity tops, and bases, mirrors, hardware, flooring and cabinets, dented appliances; broken screens; mirror chips (nicks) to cultured marble floors and counter tops; nail pops; ridging on sheet rock walls; lumber shrinkage; door warpage of less than ¼"; warpage and shrinkage of deck wood; normal plumbing, heating and air conditioning noises and paint touch-ups;

(d) defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors and for incidental or consequential damages resulting from such work or materials;

(e) damage caused by the failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufactures or suppliers of appliances, fixtures or items of equipment;

(f) damage caused by the misuse, abuse, or interference by Purchaser or anyone other than Seller or its employees, agents and subcontractors with the Seller's original construction or installations;

(g) additional damage caused by the failure of the Purchaser to give notice to the Seller of any defects or damage in a timely manner as provided in this warranty;

(h) damage caused by changes in grade made by anyone other than the Seller, its employees, agents or subcontractors and damage caused by changes in grade made by Seller's agents and subcontractors if such work was ordered directly by Purchaser;

(i) damage caused by changes, alterations or additions made to the Residential Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this warranty;

(j) damage caused by changes, alterations or additions made to the Residential Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this warranty;

(k) damage caused by dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation;

(l) loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-drive water, soil movement and changes in the underground water table;

(m) loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect;

(n) any damage which Purchaser has not taken timely action to minimize;

(o) normal wear and tear and normal deterioration;

(p) insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests;

(q) bodily injury, death, or damage to personal property;

(r) costs of shelter, transportation, food, moving, storage or other expenses related to relocation during repair or replacement;

(s) consequential, incidental, special and indirect damages;

(t) any claim not filed in a manner set forth in paragraph 7 of this warranty;

(u) damage which arises while the Residential Unit is being used for nonresidential purposes; and

(v) damage due to abnormal loading on floors which exceeds design loads as mandated by the applicable building code or building standards;

(w) damage due to ice build-up on the roof;

(x) defects in appliances, fixtures and items of equipment except if caused by defect in installation by Seller;

(y) fading of color of any natural materials in any improvement.

7. <u>What Seller Will do in the Event of a Defect Covered by This Warranty.</u> If a defect occurs in an item covered by this warranty, the Seller will repair, replace, or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s), within sixty (60) days after the Seller's inspection or testing discloses the problem, subject to weather conditions, acts of God, availability of materials, and other events beyond Seller's control. The choice among repair, replacement or payment is solely that of the Seller. In making any repairs or replacements, Seller shall have the right to select the method and materials to be used in performing such repairs or replacements.

Seller's liability under this warranty is limited in the aggregate to the amount listed on page 1 of the warranty.

Repair of damage to the load-bearing portions of the Residential Unit will be limited to that which is necessary to restore their load-bearing function. Repair of other Major Structural

Defects will be limited to repair of those defects which made the Residential Unit unsafe, unsanitary or otherwise unlivable.

8. Step by Step Claims Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the tenth (10th) day after the expiration of the applicable warranty period. Such notice must be sent by Purchaser to Seller by certified or express mail, return receipt requested. If this form shall not properly be completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand contained in such form, and any or all claims may be rejected. COMPLETION AND DELIVERY OF SUCH NOTICE OF WARRANTY CLAIM IN A TIMELY MANNAER IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Warranty. No steps taken by the Seller in response to an improperly completed or untimely notice of warranty claim will give rise to any liability of Seller to Purchaser in connection with such claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Residential Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Residential Unit must provide reasonable access to the Seller and the Seller's agents during normal business hours, Monday through Friday, to such access shall invalidate this warranty with respect to the defect(s) set forth on the Notice of Warranty Claim.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim, the Seller will give written notice of that decision to the Purchaser at the address shown on the Notice of Claim Form. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under the circumstances. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessary are subject to weather conditions, availability of materials, and other events beyond the Seller's control.

9. Legal Actions. (a) No claim under this warranty may be commenced or asserted against Seller in any lawsuit unless a properly completed Notice of Warranty Claim Form has been received by the Seller in the time period set forth in paragraph 8 of this warranty.

(b) No lawsuit against the Seller under this warranty may be commenced more than thirty (30) days after the expiration date of the applicable warranty coverage, or thirty (30) days after Seller has given written notice of its rejection of Purchaser's claim with respect to such claim, or thirty (30) days after Seller has substantially completed corrective action for a defect with respect to such defect.

10. Miscellaneous Provisions. (a) To the extent any coverage under this warranty applies to common elements of a condominium, such coverage shall be deemed given to

the Residential Board of Managers of the condominium.

(b) This warranty may not be amended in any way without Seller's prior written consent in each instance.

(c) If any provision of this warranty will not be enforced by an appropriate court, the determination will not affect the enforceability of the remaining provisions.

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

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

(f) The annexed Performance Standards, as they may be amended, establishes the standards by which it will be determined whether the Residential Unit has a problem which is covered by this Limited Warranty and the obligation of the Seller to correct such problem.

INSTRUCTIONS TO COMPLETE
NOTICE OF WARRANTY CLAIM FORM

To ask the Warrantor to correct a defect in your Residential Unit that you think is covered by the Warrantor's Limited Warranty, you must complete this form and deliver it to the Warrantor. This is necessary to protect your rights to warranty performance under the Limited Warranty.

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem. If you do not know the answers to any questions, write "Don't Know." **Please do not leave any items blank.**

NOTICE OF WARRANTY CLAIM FORM

I (We) (_____)
insert your name(s)

am the owner of the Residential Unit # _____ located at _____

_____

_____.

My mailing address and office and Residential Unit telephone numbers are as follows:

Address: _____

_____

Office Telephone Number: _____

Residential Unit Telephone Number: _____

I first occupied the Residential Unit as my residence on: _____

I closed title to the Residential Unit on: _____

Set forth below are defects in my Residential Unit and the approximate date the defects occurred or I became aware of them:

NATURE OF DEFECTS	DATE OCCURRED OR FIRST OBSERVED

(Signature) (Date)

(Signature) (Date)

This completed and signed form must be sent to Warrantor at its address listed on the first page of the Warranty by certified or express mail, return receipt requested.

PERFORMANCE STANDARDS

The following performance standards are the accepted standards for the construction of all Residential Units.

While these performance standards define the Seller's responsibility, these performance standards shall not apply and the Seller shall not be responsible to items installed or modified by the Purchaser(s), or their agents, or to items, subject to neglect or abnormal or improper use. Unnecessary service calls or service calls caused by misuse, modification, abuse or changes from original installation and construction shall result in a service call charge to the Purchaser of a minimum of $100.00.

In no event shall the Seller be responsible for normal lumber shrinkage and any ramification caused by same, i.e. ridging of the floor over "built-up" double, or triple, etc. floor beams, or shrinkage of floor or ceiling beams.

ACCEPTED STANDARDS

The performance standards list specific items (defect) within each separate area of coverage. The first section covers workmanship and materials; the second section covers systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

Possible Deficiency:
A brief statement, in simple terms, of problems that may be encountered.

Performance Standard:
A performance standard relating to a specific deficiency.

Responsibility:
A statement of the corrective action required of the Seller to repair the deficiency or a statement of the Purchaser's maintenance responsibilities.

Workmanship and Materials, First Year Only:

1. Site Work
2. Concrete
3. Masonry
4. Wood and Plastic
5. Thermal and Moisture Protection
6. Doors and Windows
7. Finishes
8. Specialties
9. Equipment and Appliances

10. Plumbing

11. Heating and Cooling

12. Ventilation

13. Electrical

14. Roofing

Systems, First and Second Year:
Plumbing, electrical, heating, cooling and ventilation systems shall mean:

a. In the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. In the case of electrical systems: all wiring electrical boxes, switches, outlets and connections up to the public utility connection; and

c In the case of heating, cooling, and ventilation systems: all duct work, steam, water, and refrigerant lines, registers, convectors, radiation elements and dampers.

First through Sixth Years:
Major Structural Material Defects:

“Material Defect” means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

PART I

GENERAL ELECTRICAL, PLUMBING, MECHANICAL AND STRUCTURAL STANDARDS

A. Mechanical, plumbing, structural and electrical standard shall be governed by the N.Y.C. building code.

B. The issuance by the appropriate authorities of the documents indicating evidence of compliance, shall be deemed evidence of compliance. Use of the building must always comply with the Certificate of Occupancy issued at title closing to the first purchaser.

C. Appliances, Fixtures and Equipment:

a. Appliances, fixtures and equipment (including their fittings, attachments, controls and appurtenances) shall include but not be limited to furnaces, humidifiers, air purifiers, air handling equipment, ventilating fans, air conditioning condensers and compressors, water heaters, boilers, pumps, stoves, washers and driers, bath tubs, sinks, commodes, faucets and fittings, light fixtures, light switches, convenience outlets, circuit breakers thermostats and controls.

b. The warranty period for appliances, fixtures and equipment (including their fittings, attachments, controls and appurtenances) for which there is no written manufacturer's warranty shall be one year. The initial warranty period for appliances, fixtures and equipment on those items where a manufacturer's warranty is provided by the manufacturer's is the Seller's warranty under these performance standards and shall be limited to the duration of the manufacturer's warranty but in standards and shall be limited to the duration of the manufacturer's warranty but in no event shall the Seller's responsibility under these performance standards exceed one year. (This does not, however, limit to one year the stated period of the applicable manufacturer's warranty where such warranty exceeds one year).

PART II

QUALITY STANDARDS

General workmanship and material defects are guaranteed under the applicable warranty period. The following quality standards are intended to define the specific limits of permissible defects in materials and general workmanship. These performance standards have been developed after careful analysis of building custom and practices within this jurisdiction. These performance standards may be periodically supplemented; however, if a Purchaser complaint on a warrantable item should arise which is not governed by any specific performance standard, then determination of Seller responsibility shall be made on the basis of good industry practice in the City of New York.

These performance standards represent the basis for determining the validity of all Purchaser complaints relating to defective materials and workmanship during the initial one year warranty program. If any specific performance standard listed below conflicts with any of the general standards set forth in Part I, then the standard which requires a greater quality of performance shall govern.

I. SITE WORK

A. Site Drainage

1. Improper draining and water runoff from the site.

Approved Standard: The Seller shall be responsible for providing grades and swales to insure proper drainage away from the house as per approved plans, if any. Standing water shall not remain thirty-six hours after a rain, except swales which may drain as long as forty-eight hours. No grading decisions shall be made while there is frost on the ground or while ground is saturated.

Required Remedy: The Seller is required only to establish proper grades and swales to effectuate proper drainage. It is the Residential Board of Managers' responsibility to maintain such grades and swales once they have been properly established by the Seller.

B. Backfill and Excavation

1. Settling of ground around filled areas, including foundation, utility trenches, etc.

Approved Standards: The maximum allowable settling around utility trenches, foundations or other filled areas shall be six inches. and settling foundation shall further not interfere with proper water drainage away from the house.

Required Remedy: The Seller shall be responsible for refilling any excessively settled areas. The Seller's responsibility shall be limited to one such occurrence during the one year warranty period. The Seller shall not be held responsible for any grass, shrub or other landscaping affected by such settling or by such additional backfilling.

C. Paved Driveways – **Not Applicable**.

II. MASONRY

A. Residential Unit Masonry
1. Cracking of foundation and basement walls.

Approved Standard: While it is not unusual for some minor cracking to appear in mortar joints of masonry foundation walls, such cracks are considered excessive if greater than ¼ inch in width.

Required Remedy: The Seller shall repair visible cracks in excess of ¼ inch by surface patching. Any such repairs should be made near the end of the one year warranty so as to permit stabilization of the normal settling process of the home. The color or texture of the patch may not match.

2. Cracks in veneer or masonry walls.

Approved Standard: Cracks greater than ¼ inch in width are considered excessive.

Required Remedy: The Seller shall repair cracks in excess of ¼ inch by surface patching, but shall not be responsible for matching color or texture. Any such repairs should be made near the end of one year warranty period so as to permit stabilization of the normal settling process of the home.

2. Cracks in veneer or masonry walls.

Approved Standard: Cracks greater than ¼ inch in width are considered excessive.

Required Remedy: The Seller shall repair cracks in excess of ¼ inch by surface patching, but shall not be responsible for matching color or texture. Any such repairs should be made near the end of one year warranty period so as to permit stabilization of the normal settling process of the home.

III. CONCRETE WORK

A. Cast-in-Place Concrete

1. Cracks in basement floor.

Approved Standard: Minor cracks in concrete basement floors are not unusual. Cracks exceeding ¼ inch in width or ¼ inch in vertical displacement are considered excessive.

Required Remedy: The Seller shall repair by surface patching all cracks exceeding maximum tolerances in the performance standard.

2. Cracks in basement or foundations walls.

Approved Standard: While some non-structural cracking is not unusual, such cracks greater than ¼ inch in width are considered excessive.

Required Remedy: The Seller shall repair visible nonstructural cracks in excess of ¼ inch by surface patching. Such repairs should be done once during the first year limited warranty period.

3. Cracking in attached patio floors.

Approved Standard: Only those cracks greater than ¼ inch in width or 1 inch in vertical displacement are considered to be excessive.

Required Remedy: Seller shall repair by surface patching providing this deficiency has not been caused by freezing fall action which is beyond the control of the Seller.

4. Excess chalking or powdering of concrete surface.

Approved Standard: Excess chalking or powdering of concrete surfaces is not acceptable, but shall not be confused with surface dust.

Required Remedy: The Seller shall repair surfaces as necessary, utilizing “property” resurfacing or coating material.

6. Cracking of concrete slab-on-grade floors greater than ¼ inch.

Approved Standard: Cracks significantly diminishing performance and/or appearance of the flooring material shall not be acceptable.

Required Remedy: The Seller shall repair by surface patching the cracks as necessary to diminish visibility when finish flooring material is in place. Seller is not responsible for color differences or discontinued floor covering patters.

IV. MOISTURE PROTECTION

A. Roofing

1. Leaking of the roof or flashing

Approved Standard: Under normal conditions, leaking of roofing or flashing shall not be acceptable.

Required Remedy: The Seller shall take corrective action as necessary to repair verified roof or flashing leaks caused by poor workmanship or materials.

B. Waterproofing

1. Leaking of foundation or basement.

Approved Standard: Dampness of foundation or basement walls occurs frequently in newly constructed homes and should not be considered a defect. No leaks producing trickling water shall be acceptable. Any leaking which is caused by faulty landscaping installed by Purchaser or the Residential Board of Managers or caused by Purchaser's or the Residential Board of Managers' failure to maintain proper grades is not covered by warranty.

Required Remedy: Except when caused by Purchaser negligence, Seller shall repair leaks as necessary; Seller represents and warrants that the basement will remain free of leaks for a period of one year from date of closing under the following terms and conditions:

a. Seller shall repair said leak and/or seepage, if any, in a manner consistent with standard building practices in the City of New York.

b. In the event that all reasonable attempts to repair said leaks shall fail to resolve said problem, Seller shall have the right at Seller's sole discretion to alleviate said leak and/or seepage condition by the installation of a sump pump or similar liquid transfer system; installation of said system shall constitute complete compliance with the terms of Seller's warranty under this clause and Purchaser agrees, warrants and recognizes that no cause of action shall lie subsequently to seller installation of said pump or similar system. Seller shall provide manufacturer's warranty on said system if available.

c. This warranty shall be void and of no force and effect in the event that leak or seepage is caused by:

(i) Act of the Purchaser or the Residential Board of Managers
(ii) Act of God

C. Membrane roofing

1. Leaking.

Approved Standard: Should not leak under normal conditions.

Required Remedy: The Seller shall repair or correct as necessary any verified roof leaks caused by poor workmanship or materials.

E. Flashing and Sheet Metal

See IV.A.I.

F. Sealants

1. Inadequate caulking causing leaking in exterior walls.

Approved Standard: Some shrinkage in caulking is not unusual and is acceptable. Caulking around joints and cracks in exterior wall surfaces and openings to exclude entry of water must be property maintained by the Purchaser.

Required Remedy: The Seller shall caulk joints, cracks and openings as necessary in exterior wall surfaces to prevent entry of water. Recaulking is a maintenance item to be done by the Purchaser.

A. LOUVERS AND VENTS:

Possible deficiency:
Leaks due to snow or rain driven through louvers or vents.

Performance Standard:
Vents and/or louvers may be provided for proper ventilation of the structure. Seller shall not be responsible if Purchaser modifies ventilation as provided by Seller.

Responsibility:
NONE

B. ROOFING:

1. Possible Deficiency:
Ice build-up on roof.

Performance Standard:

During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

Responsibility:
Prevention of ice build-up on the roof is a Purchaser or Residential Board of Managers maintenance item.

2. Possible Deficiency:
Roof or Flashing leaks

Performance Standard:
Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Purchaser Residential Board of Managers action or negligence.

Responsibility:

Seller will repair any verified roof or flashing leaks not caused by ice build-up or Purchaser action or negligence.

3. Possible Deficiency:
Standing water on flat roof.

Performance Standard:
Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.

Responsibility:
Seller will take corrective action to assure proper drainage of roof.

H. PLASTIC AND WOOD

A. Exterior Finish Carpentry-Not Applicable.

B. Interior Finish Carpentry

1. Unsatisfactory workmanship on interior trim.

Approved Standard: Cracks and/or gaps between moldings and joints and adjacent surfaces should not exceed 1.4 inch in width or vertical displacement, except in the case of gaps between base or floor mounding and flooring, in which case gaps shall not exceed ½ inch.

Required Remedy: The Seller shall repair or correct as necessary defective joints so as to meet the above standard. A shoe molding of quarter round molding may be installed to cover space between floor and base molding.

C. Rough Carpentry

1. Squeaking floors.

Approved Standard: While some squeaking may occur due to normal shrinking in wood floors, excessive squeaking due to loose boards is not acceptable. This applies to sub-floors.

Required Remedy: The Seller shall be responsible only for face nailing loose boards. The Seller is not responsible for normal squeaking due to shrinkage in wood floors. This applies to sub-floors as well.

2. Floors not level

Approved Standard: Floor slope within any room shall not exceed 1/240 of the room width, and floors should not be more than ¼ inch out of level within any 32 inch measurement.

Required Remedy: The Seller shall repair uneven floors as necessary to meet the above standard.

3. Carpeting
1. Possible Deficiency: Open carpet seams.

Performance Standard: Carpet seams will show. However, no visible gap is acceptable.
Responsibility: Seller will correct.

2. Possible Deficiency: Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard: Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate from its point of attachment.

Responsibility: Seller will re-stretch or re-secure carpeting as needed, if original installation was performed by Seller.

3. Possible Deficiency: Spots on carpet, minor fading.

Performance Standard: Exposure to light may cause spots on carpet and/or minor fading.

Responsibility: NONE

VI. FINISH ITEMS

A. Ceramic Tiles

1. Loosening or cracking of ceramic tiles.

Approved Standard: Loosening or cracking of ceramic tile is unacceptable under normal use conditions.

Required Remedy: The Seller shall reseal any loose ceramic tiles and replace any cracked ceramic tiles unless cracking and/or loosening is due to poor Purchaser maintenance or misuse.

2. Grout in joints or junctions with other material (bath, etc.) cracks; ceramic tile cracks.

3. With regard to Tile & Grout, Color and Style will be matched as close as possible. Seller shall not be responsible for discontinued patters of colors.

Approved Standard: Normal shrinkage conditions often results in cracks in the grouting of ceramic tile grout.

B. Resilient Flooring

1. Appearance of nail “pops” on the surface of the resilient flooring material.

Approved Standard: Easily visible nail “pops” are not acceptable.

Required Remedy: The Seller shall repair or replace as necessary only if material used was originally applied from Seller samples, but is not responsible for color differences or discontinued floor covering patters.

2. Appearances of hollows and/or ridges in the resilient flooring due to irregularities beneath floor surface.

Approved Standard: Hollows and/or ridges exceeding 1/8 inch are not acceptable and should be repaired. Determination of hollow or ridge measurement is established by taking the measurement of the gap created at one end of a 6 inch straight edge placed over the hollow or ridge, holding three inches of the straight edge tight to the floor on the other side.

Required Remedy: The Seller shall correct or repair as necessary to reduce visibility of irregularity and to bring the defect within acceptable tolerance. The Seller is not responsible for color differences or discontinued patterns.

3. Resilient Flooring becomes unglued.

Approved Standard: Flooring should not become unglued, causing lifts, bubbles, etc. under normal use and proper maintenance.

Required Remedy: The Seller shall repair or reinstall resilient flooring as necessary but shall not be responsible for color differences or discontinued patterns.

4. Appearance of gaps due to shrinkage or seams at joint in resilient flooring.

Approved Standard: Gaps in excess of 1/16 inch in width are not acceptable. Where resilient flooring borders other material, gaps in excess of ½ inch are not acceptable.

Required Remedy: The Seller shall correct or repair as necessary, but stall not be responsible for color differences or discontinued patterns.

C. Paint

1. Peeling or degeneration of exterior paint and/or stain.

Approved Standard: While some wearing out of deck paint or stain from traffic is normal, exterior paints and/or stains should not degenerate appreciably during the first year.

Required Remedy: The Seller shall appropriately repaint or restain the area so affected, including entire wall or area if the majority of such wall or area is affected. However, the warranty on the repainted or restained area shall not exceed the original warranty period. The Seller shall match colors as closely as possible.

2. Other repair work necessitates painting surrounding area.

Approved Standard: Seller shall refinish area as made necessary by other repairs covered under this warranty, matching surrounding area closely.

Required Remedy: Seller shall refinish areas as may be necessary, matching surrounding areas as closely as possible.

3. Lacquer finish and/or varnish degeneration.

Approved Standard: Interior varnish and lacquer deterioration within the first year is not acceptable. However, varnish type finishes applied on the exterior are not covered by the warranty as they do tend to quickly degenerate.

Required Remedy: The Seller shall refinish affected areas of interior natural finished woodwork as necessary, matching colors as closely as possible.

4. Poor quality or defective application of interior paint.

Approved Standard: Where specified, interior paint shall be applied so as to visually cover surfaces (trim, wall, ceiling, etc.) matching color closely.

Required Remedy: The Seller shall repaint unacceptable surfaces where necessary to cover underlying surface.

D. Plaster and Lath

1. Cracking appears in stucco wall surfaces.

Approved Standard: Cracks in excess of 1/8 inch in width area are not acceptable. However, hairline cracks in stucco wall surfaces are not uncommon. Cracks may appear where stucco abuts other material. These cracks may be repaired by caulking or surface patching.

Required Remedy: The Seller shall repair cracks in excess of 1/8 inch as necessary. However, the Seller does not warrant color matching.

E. Plaster, Lath, and Gypsum Wallboard.

1. Flaws due to poor quality of workmanship (trowel Marks, excess compound, blister, bubbles, cracks, etc.)

Approved Standard: Cracks in interior wall and ceiling surfaces, nail pops and hairline cracks are not unusual in interior wall and ceiling surfaces and are not the responsibility of the Seller. Cracks greater than 1/8 inch in width shall be repaired.

Required Remedy: Seller will repair cracks exceeding 1/8 inch in width one time only, during the first year of the Limited Warranty period. Paint touch ups, if necessary, with color match as closely as possible.

VII. WINDOWS AND DOORS

A. Windows

1. Windows difficult to open and close are inoperative.

Approved Standard: Windows shall open and close reasonably easy. Some air infiltration is normally noticeable around doors and windows, especially during high winds. It may be necessary for the Purchaser to have storm doors and windows installed to provide satisfactory solutions during wind conditions.

Required Remedy: Seller shall take steps as necessary to facilitate proper functioning. Any channels must be kept clean to prevent clogging of week holes.

B. Wooden Doors

1. Interior passage doors warp.

Approved Standards: Warping of full opening interior doors in excess of the National Woodwork Manufactures Association standard of ¼ inch is not acceptable.

Required Remedy: Seller shall replace or correct warped doors and refinish if necessary, matching finish as closely as possible.

C. Garage doors – **Not Applicable**.

D. Seals and Weather Stripping

1. Drafts around windows and doors.

Approved Standard: An unusually great amount of draft produced by doors and windows which don't fit properly, weather stripping that does not fit properly, or open cracks is not acceptable, although some drafting is almost always noticeable around windows and doors, particularly during storms and high winds.

Required Remedy: The Seller is required to repair open cracks and to adjust ill-fitting weather stripping and ill-fitting windows and doors.

VIII. EQUIPMENT

A. Residential Equipment

1. Kitchen drawers, cabinet doors, or other moving parts difficult to operate or inoperable. Equipment cannot be misused or damaged by purchaser. Seller will not be responsible for chips and cracks noted following first occupancy, or fading due to over-sunlight exposure.

Approved Standard: All kitchen drawers and cabinet doors should operate reasonably as intended.

Required Remedy: Seller shall adjust or replace operating parts as necessary, matching colors closely.

2. Appearance of chips or surface cracks on and/or discoloration of engineered stone and/or natural stone countertops.

Approved Standard: Except for minor surface imperfections, there should be no chips, cracks, or discoloration in any countertops. However, abuse, misuse or damage caused by Purchaser will void the warranty.

Required Remedy: The Seller shall repair or replace the equipment, matching color as closely as possible.

IX. MECHANICAL.

A. Generating Heat or Power.

1. Insufficient heat.

Approved Standard: According to the specifications in the ASHRAE handbook, the heating system should be able to produce an interior temperature of 70 degrees F. as measured in the middle of each room as a height of 5 feet above the floor under local winter conditions. Shall conform to the N.Y.S. Energy Code.

Required Remedy: The Seller shall adjust or repair the heating system as necessary to produce the required temperatures. However, the Purchaser shall be responsible for balancing dampers, registers, radiators, and other minor adjustments, including filter changes and furnace lighting.

B. Refrigeration

1. Insufficient cooling.

Approved Standard: According to the specifications in the ASHRAE handbook, under local outdoor summer design conditions, the cooling system should be able to maintain a temperature of 80 degrees F., as measured in the middle of each room at a height of 5 feet above the floor, where air-conditioning is provided, with a 95 degree outside temperature.

Required Remedy: The Seller shall adjust or repair the cooling system as necessary to produce and maintain the required temperatures. However, the Purchaser shall be responsible for balancing dampers, registers, and other minor adjustments.

C. Plumbing

1. Fixtures, drains, and plugged sewers.

Approved Standard: Drains, fixtures and sewers should all operate properly as intended.

Required Remedy: If faulty construction practices are shown to be the cause of problems, Seller shall assume repair costs. If negligence or misuse is shown to be the cause of the problems, the Purchaser or Residential Board of Managers, as the case may be, shall assume the repair costs. When a problem occurs, the Purchaser should notify the Seller and ask for recommendations. The Seller shall not be responsible for drains, sewers and fixtures plugged due to negligence or misuse by Purchaser or the Residential Board of Managers. Stoppage in City sewers are not the responsibility of the Seller.

2. Piping Leaks

Approved Standard: Condensation on piping is common and should not be constructed as a leak, and is not covered under the warranty. No leaks of any kind in soil, vent, waste, or water pipes are acceptable.

Required Remedy: The Seller shall repair or adjust pipes as necessary to stop leaking.

3. Leaking valves or faucets

Approved Standard: No leaks should exist in valves or faucets due to poor quality of the materials or the workmanship.

Required Remedy: The Seller shall repair or replace faucets and/or valves which leak unless the leaking is caused by defective washer. Leaks caused by warn out washers are the responsibility of the Purchaser after 90 days.

4. Defects in appliances, trim fittings, and plumbing fixtures.

Approved Standard: Manufacture's standard should be used to determine whether or not appliances, fixtures or fittings are defective.

Required Remedy: The Seller shall replace fittings and fixtures which do not meet manufacturer's standards.

D. Pipe insulation

1. Freezing of plumbing pipes.

Approved Standard: All pipes (water, drain, waste, and vent) should be protected properly so as to prevent freezing during normally anticipated winter temperatures. It is the Purchaser's responsibility to maintain adequate heat to prevent freeze ups.

Required Remedy: The Seller shall repair or correct conditions causing pipes to freeze and shall also repair any piping which was damaged due to freezing. It is the Purchaser's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

E. Septic Tanks – **Not Applicable**.

F. Controls and Instruments

See IX.A.1

G. Air Distribution

See IX.A.1 and IX.B.1

H. Liquid Heat Transfer

See IX.A.1 and IX.B.1

X. ELECTRICAL

A. Conductors, Switches, Receptacles and Lighting

1. Electric switches, outlets and fixtures malfunction.

Approved Standard: Electrical outlets, fixtures and switches should operate properly and as intended.

Required Remedy: The Seller shall repair or replace defective wiring, outlets, switches and fixtures.

XI. CONDENSATION.

Seller shall not be responsible for any damage caused by acts of the purchaser which result in condensation. These acts include, but are not limited to the use of humidifiers, improper use of any equipment or improper ventilation.

IN WITNESS WHEREOF, the parties hereto have made and executed this Limited Warranty Rider the day and year first above written.

Purchaser(s): _____

_____

Seller: **807 MANHATTAN AVENUE LLC**

By: _____
Martin Nussbaum
Authorized Signatory

LOCAL LAW 147 RIDER ANNEXED TO AND MADE A PART OF PURCHASE AGREEMENT DATED _____, 201_____, BETWEEN 807 MANHATTAN AVENUE LLC, AS SELLER, AND _____, AS PURCHASER

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

Definitions

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

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

Smoke-Free Air Act

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

Policy on Smoking

Smoking is not allowed in the locations checked below (check all boxes that apply). Even if no boxes are checked, the Smoke-Free Air Act bans smoking tobacco or non-tobacco products, and using e-cigarettes in indoor common areas.

__ Inside of Residential Units*

X Indoor Common Areas

__ Outside of areas that are part of Residential Units, including balconies, patios and porches

X Outdoor common areas, including rooftops.

__ Outdoors within 15 feet of entrances, exits, windows, and air intake Residential Units on property grounds

X Other areas/exceptions: None.

SEE ATTACHED EXHIBIT X – BUILDING'S WRITTEN SMOKING POLICY

* Rent-stabilized and rent-controlled Residential Units may be exempt from a policy restricting smoking inside Residential Units unless the existing tenant consents to the policy in writing.

Complaint Procedure

Complaints about smoke drifting into a Residential Unit or common area should be made promptly to the Owner/Manager listed here: Goldin Management, 25 8 Avenue, Brooklyn, New York 11217

Complaints should be made in writing and should be as specific as possible, including the date, approximate time, location where smoke was observed, building address, description of incident and apparent source of smoke.

Acknowledgment and Signatures:

Purchaser acknowledged that Purchaser has read the policy on smoking described above, and Purchaser understands the policy applies to the property and Residential Unit. Purchaser represents that Purchaser will comply with the policy described above.

Purchaser(s): _____

_____

Seller: **807 MANHATTAN AVENUE LLC**

By: _____
Martin Nussbaum
Authorized Signatory

EXHIBIT A TO LL 147 RIDER

807 MANHATTAN AVENUE CONDOMINIUM
SMOKING POLICY

Paragraph (v) is added to the House Rules as follows:

Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in all indoor and other outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment.

LEAD-BASED PAINT RIDER TO PURCHASE AGREEMENT

The U.S. Environmental Protection Agency ("EPA") and the Department of Housing and Urban Development have promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Regulations") pursuant to the Residential Lead-Based Paint Hazard Reduction Act of 1992 regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Condominium Units. In accordance with the provisions of the Regulations, there is attached to this Rider a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Seller, Purchaser and Agent, as applicable, simultaneously with the Purchase Agreement to which this Rider is attached. The Regulations do not require any testing or removal of lead based paint by sellers.

This Agreement is contingent upon a risk assessment or inspection of the Property ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards at the Purchaser's expense. Intact lead-based paint that is in good condition is not necessarily a hazard. Such Inspection shall be performed within ten (10) calendar days after a countersigned Purchase Agreement has been returned to Purchaser or Purchaser's attorney on the following terms and conditions:

Purchaser and Purchaser's consultant, if any ("Consultant"), will be given reasonable access to the Unit and the public areas of the Buildings.

The Inspection shall be held at a mutually convenient time and date.

The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit or the Buildings.

Purchaser hereby indemnifies and holds Seller harmless from, and agrees to be liable for any damages to the Unit or the Buildings, injuries and all claims and lawsuits caused by the Purchaser or the Consultant during or from the Inspection.

Purchaser or the Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without Seller's prior approval.

This Inspection contingency will terminate at the end of such ten-day period without further notification by Seller unless the Purchaser (or Purchaser's agent) delivers to Seller or Seller's agent a proposed Purchase Agreement Addendum listing the specific existing deficiencies and corrections needed, together with a copy of the inspection and/or risk assessment report (the "Report). The Seller may, at the Seller's sole option, within five (5) business days after delivery of the Addendum and Report, elect in writing whether to correct the condition(s) prior to Closing. If the Seller will correct the condition, the Seller shall furnish the Purchaser with a certification from the Consultant or from the Seller's risk assessor or inspector, confirming that the condition has been remedied before the Closing Date, as such date may be extended or adjourned, as provided in the Purchase Agreement. If the Seller does not elect to make the repairs or if, within three (3) days, Seller does not make a counter-offer to remove this contingency and sell the Unit in "as is" condition, then this Purchase Agreement shall become void and the Contract Deposit will be refunded to Purchaser. The Purchaser may remove this contingency at any time without cause.

PURCHASER AGREES THAT IT IS PURCHASING THE UNIT "AS IS" WITHOUT ANY PREPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE CONDITION OF THE UNIT AND THE BUILDINGS, EXCEPT AS MAY BE OTHERWISE PROVIDED IN THE PLAN.

PURCHASER FURTHER AGREES THAT SELLER HAS NO RESPONSIBILITY OR LIABLITY FOR, AND PURCHASER HEREBY UNCONDITIONALLY RELEASES SELLER FROM, ANY AND ALL LIABILITY, BOTH KNOWN AND UNKNOWN, PRESENT AND FUTURE, THAT IS BASED UPON OR RELATED TO, THE EXISTENCE OF LEAD OR LEAD-BASED PAINT OR OTHER SOURCES OF LEAD ON OR ABOUT THE UNIT AND THE BUILDINGS.

807 MANHATTAN AVENUE, LLC

_____ By: _____

_____ , Purchaser Martin Nussbaum
Authorized Signatory

_____

_____, Purchaser

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards
SALE

Lead Warning Statement:

Every purchaser of any interest in residential real property on which a residential dwelling was built before 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended before purchase.

Seller's Disclosure:
Seller has no knowledge of lead-based paint or lead-based paint hazards in the housing.
Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment:
Purchaser has received the pamphlet Protect Your Family From Lead in Your Home.
Purchaser has [check (i) or (ii) below]:

(i) □ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for presence of lead-based paint and/or lead-based paint hazards; or

(ii) □Waived an opportunity to conduct a risk assessment or inspection for presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment:
Agent has informed Seller of Seller's obligations under 42 U.S.C. Section 4852d and is aware of its responsibility to ensure compliance.

Certification of Accuracy:
The following parties have reviewed the information above and certify to the best of their knowledge, that the information they have provided is true and accurate.

Dated: _____

807 MANHATTAN AVENUE, LLC
Seller

By: _____
Martin Nussbaum
Authorized Signatory

MNS REAL ESTATE
Agent

By: _____
Name:
Authorized Signatory

Purchaser(s):

_____

_____

EXHIBIT A TO PURCHASE AGREEMENT

FORM OF INSPECTION STATEMENT

Date: _____

807 MANHATTAN AVENUE LLC

Re: Residential Unit _____ at 1080 Lorimer Street, Brooklyn, New York 11222 a/k/a 807 Manhattan Avenue, Brooklyn, New York 11222
Storage Bin _____

Gentlemen:

The undersigned is/are the purchaser ("Purchaser") of the above-referenced Residential Unit (the "Residential Unit") and, if applicable, Storage Bin. Purchaser understands that this Inspection Statement is to be completed by Purchaser, together with Seller's authorized representative, prior to the Closing Date. This Statement will be signed by Seller's representative and Purchaser at the time of the walk- through inspection.

Purchaser further understands that Seller agrees to complete all items listed below within a reasonable period of time following the date of closing, weather permitting, and subject to delays for work or materials beyond Seller's control (i.e., force majeure delays etc.) Purchaser is fully aware, that notwithstanding the foregoing, Seller's obligation to repair or correct items on this Inspection Statement is conditioned upon Seller's ability to gain access to the Residential Unit. Purchaser agrees that if Purchaser does not provide access to the Residential Unit to Seller or its agents or contractors within ten (10) days after Seller has notified Purchaser of Seller's intention to complete the Inspection Statement work in the Residential Unit, then Seller shall have no further obligation to complete the items of work.

As a result of my/our final inspection, please be advised that except as otherwise noted I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Number	Items	Initials	Exception if any
1	Walls		
2	Floors		
3	Ceilings		
4	Windows		
5	Doors		
6	Electric, plumbing and heating fixtures		
7	Painted surfaces		
8	Sinks, tubs, bowls		
9	Kitchen cabinets and counter tops		
10	Vanity tops and base Cabinets		

Exception

Number	Items	Initials	if any
11	Medicine cabinets		
12	Hardware		
13	Kitchen Appliances		
14	Storage Bin, if applicable		

I/We agree and will sign off each item requiring adjustment or repair as it is completed. We understand that any adjustment or repair will only be made during regular business hours.

I/We have inspected the Residential Unit and found all in good condition except as noted above. We accept the Residential Unit as presented and certify that we have inspected same. I/We understand that Seller is not responsible for any damage to the doors, walls, ceilings, appliances or any other part of the Residential Unit resulting from move-in to the Residential Unit.

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets and vanity knobs may be installed just prior to my/our date of moving in. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchaser's Signature

_____ _____
Seller's Representative Purchaser's Signature

EXHIBIT B TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

ESCROW AGREEMENT

ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 202__, by and among _____ ("PURCHASER"), 807 MANHATTAN AVENUE LLC (“SPONSOR”), as sponsor of the _____offering plan (“Plan”) and Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP (“ESCROW AGENT”).

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale condominium interests at the premises located at 336 & 354 Hicks Street, Brooklyn, NY 11201, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law (“GBL”) Sections 352-e(2-b), 352-h and the New York Department of Law’s regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as “Deposit”) pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT has established an escrow account for the purpose of holding the Deposit made by PURCHASER pursuant to that certain purchase agreement for the purchase and sale of Residential Unit [__] (the “Purchase Agreement”) at Hanover Community Bank, 71-17 Austin Street, Forest Hills, NY 11375 ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled Abrams Fensterman Attorney Trust Account ("Escrow Account"). [The account number is _____.]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: Lawrence F. DiGiovanna, Esq., Mark. J. Caruso, Esq. and Frank V. Carone, Esq. 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 c/o Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP, 1 MetroTech Center, Suite 1701, Brooklyn, NY 11201 and a telephone number of (718) 215-5300.

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 will be interest-bearing and, if the closing of the sale to a purchaser of a Residential Unit occurs under the Plan, interest on a Deposit made by a purchaser will be credited to such purchaser at closing. The interest rate to be earned on the Down Payments will be the rate paid from time to time by the Bank for the same type of account as the escrow account set up for the Purchasers. This rate, as of January 2, 2018, was 0.4% per annum Interest will begin to accrue when the check for the Down Payment is collected, and

provided there is no charge back or debit by the Bank against the amount deposited. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

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 (including, initially, "Extra Work Funds"). All instruments to be placed into the Escrow Account shall be made payable directly to the order of Abrams Fensterman, 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 unconditionally tendered (as described in Section 11 of the Purchase Agreement) 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, 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 the Deposit and requisite notice was timely mailed to the Purchaser.

2.3 All Deposits, except for Extra Work Funds to the extent that the same are used or expended by Sponsor for extra, special, upgrade or custom work requested by a Purchaser and agreed to in writing by Sponsor, are and shall continue to be the Purchaser's money, and may not be commingled with any other money or pledged or hypothecated by Sponsor, until such time a Sponsor is entitled to such Deposits pursuant to GBL § 352-h. Extra Work Funds will initially be deposited in the Escrow Account. However, Purchaser should note that such funds may be released from the Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such work. Consequently, in the event that Sponsor cancels the Purchase Agreement or if Purchaser becomes entitled to rescind the Purchase Agreement in accordance with the provisions of the Plan, Purchaser will not receive a refund of any of the Extra Work Funds to the extent such Extra Work Funds have been actually expended by Sponsor. Escrow Agent shall be under no obligation or duty to verify that Sponsor used or committed such funds for such work.

3. RELEASE OF FUNDS

3.1 Except for Extra Work Funds to the extent that the same are used or expended by Sponsor for extra, special, upgrade or custom work requested by a Purchaser and agreed to in writing by Sponsor, 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 Residential Unit;

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the Residential Unit is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352-e(2-b) and 352-h.

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

6. RESPONSIBILITIES OF SPONSOR.

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

6.2 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-hand the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS THIS PAGE.]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
ABRAMS, FENSTERMAN, FENSTERMAN, EISMAN, FORMATO, FERRARA, & WOLF & CARONE, LLP

By:_____
Name: _____
Title: _____

SPONSOR
807 MANHATTAN AVENUE LLC

By:_____
Name: Martin Nussbaum
Title: Authorized Signatory

PURCHASER
[INSERT NAME]

By:_____
Name: _____
Title: _____

EXHIBIT C TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

UNIT OWNER'S POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used (a) in the declaration (the "**Declaration**") establishing a plan for condominium ownership of the premises known as and by the street number 1080 Lorimer Street (a/k/a 807 Manhattan Avenue), Brooklyn, New York (the "**Property**") under Article 9-B of the Real Property Law of the State of New York, dated _____, 202_, and recorded in the Office of the Register of the City of New York, County of New York, on _____, 201_, at CRFN _____, or (b) in the by-laws of the Condominium (the "**By-Laws**") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned _____ , (having an office) (residing) at _____, the owner of the Condominium Unit (the "**Undersigned's Unit**") known as Unit No. _____ in the 807 Manhattan Avenue Condominium (the "**Condominium**"), known by the street address as 1080 Lorimer Street (a/k/a 807 Manhattan Avenue), Brooklyn, NY 11201 and consisting of the real property and improvements thereon as more particularly described on Schedule A annexed hereto and made a part hereof, such Unit being also designated as Tax Lot _ in Block ___ of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans, (does)(do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner so desiring to sell, convey, transfer, assign or lease, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender such Unit pursuant to the terms of paragraph V of Section 7 of the By-Laws, and (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and, with respect to any transfer pursuant to the terms of subdivision 1(a) or 1(c) of this paragraph at such price or at such rental, as the case may be, as such attorneys-in-fact deem proper, and thereafter to convey, sell, lease, mortgage or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, on such terms as such attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in such premises which the undersigned could do if the undersigned were personally present, and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board deems necessary or appropriate.

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

The undersigned (does)(do) hereby irrevocably nominate, constitute and appoint 807 Manhattan Avenue LLC (the "**Sponsor**"), as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of such documents, when such amendment (i) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the

Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Section 9 and 11 of the Declaration or (ii) will be required by (A) an Institutional Lender designated 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; provided, however, that any amendment made pursuant to the terms of subdivisions (i) or (ii) of this paragraph will not (x) change the Common Interest of the Undersigned's Unit, (y) require a material, physical modification to the Undersigned's Unit, or (z) 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 subdivisions (x) or (y) of this paragraph) or the holder of such mortgage (in the event described in (z) 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 will remain in full force and effect until such time as Sponsor or its designee will cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have)* executed this Unit Owner's Power of Attorney as of the __ day _____, 202_.

_____

STATE OF NEW YORK)
) ss.:
COUNTY OF)

On the day of in the year 201_, before me, the undersigned, a notary public in and for the state, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

SCHEDULE A

Description of Land

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point being the corner formed by the intersection of the southerly side at Calyer Street with the westerly side of Manhattan Avenue;

RUNNING THENCE southerly along the westerly side of Manhattan Avenue, 75 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 75 feet to a point;

THENCE turning and running southerly on a line parallel to Manhattan Avenue, 25 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 125 feet to the easterly side of Lorimer Street;

THENCE turning and running northerly along the easterly side of Lorimer Street, 100 feet to the southerly side of Calyer Street;

THENCE turning and running easterly along the southerly side of Calyer Street, 200 feet to the point or place of BEGINNING.

Said premises being known as 1080 Lorimer Street (a/k/a 807 Manhattan Avenue), Brooklyn, NY.

EXHIBIT D TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

FORM OF UNIT DEED

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THIS INDENTURE, made the _____ day of _____, 202__ between 807 Manhattan Avenue LLC a New York limited liability company, having offices 38 West 28th Street, New York, New York 10016 ("Grantor"), and _____, a _____, with offices/ residing at _____, New York ("Grantee").

W I T N E S S E T H

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

All that certain plot, piece or parcel of real property, situate and being a part of a condominium in Kings County, State of New York, known and designated as Unit known as Unit _____ (the "Unit") , together with an undivided _____% interest in the common elements defined in the Declaration of Condominium entitled "807 Manhattan Avenue Condominium" (the "Condominium") in the building known as and by the street number 336 & 354 Hicks Street, Brooklyn, New York ("Building"), and designated and described as such in the Declaration ("Declaration") establishing a plan for condominium ownership of the Building and the parcel of land on which it is situated (such land and the Building being collectively referred to as "Property"), made by the Grantor under Article 9-B of the Real Property Law of the State of New York, dated _____, 201_, and recorded in the Office of the Register of the City of New York, Kings County on the ____ day of _____, 201_ at CRFN _____ and designated as Tax Lot No. __ in Block____ on the Tax Map of the City of New York for the Borough of Brooklyn and on the floor plans of the Building ("Floor Plans"), certified by Romines Architecture PLLC, on the ____ day of _____, 201_, and filed in the Office of the City Register, Kings County, on the _____ day of _____, 201_.

The land is bounded and described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County, City and State of New York, being also know and designated on the Tax Map of the City of New York for the Borough of Brooklyn, as said Tax Map was _____, as Block ___, Lot No. ____, and being more particularly bounded and described as follows:

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at a point being the corner formed by the intersection of the southerly side at Calyer Street with the westerly side of Manhattan Avenue;

RUNNING THENCE southerly along the westerly side of Manhattan Avenue, 75 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 75 feet to a point;

THENCE turning and running southerly on a line parallel to Manhattan Avenue, 25 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 125 feet to the easterly side of Lorimer Street;

THENCE turning and running northerly along the easterly side of Lorimer Street, 100 feet to the southerly side of Calyer Street;

THENCE turning and running easterly along the southerly side of Calyer Street, 200 feet to the point or place of BEGINNING.

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 of the Declaration and of the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) as such Declaration and By Laws may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, Kings County, all of which rights, obligations, easements, restrictions and other provisions, shall constitute covenants running with the land and shall bind any and all persons having at any time any interest or estate in the Unit, as though recited and stipulated at length herein; and subject to any other matters of record as of the date hereof;

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

Grantee by accepting delivery of this deed covenants and agrees to be bound by and to comply with the provisions of the Declaration and the By-Laws of the Condominium (including but not limited to the Rules and Regulations thereunder) recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, Kings County.

The shall be used solely for dwelling purposes and such “home occupation” use under the Zoning Resolution of the City of New York as may be permitted by law.

The Grantor covenants that except for Permitted Encumbrances the Grantor has not done or suffered anything to be done whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the Condominium By-Laws (and any Rules and Regulations adopted under the Condominium By-Laws). This covenant is for the personal benefit of the Grantee only and cannot be assigned to or exercised by, and shall not inure to the benefit of, any other person or entity, including, but not limited to, any insurer of the Grantee’s title or any successor to the Grantee’s interest.

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 purpose.

The terms “Grantor” and “Grantee” shall be read as “Grantors” and “Grantees” whenever the sense of the deed so requires.

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

WITNESS

GRANTOR:
807 MANHATTAN AVENUE LLC

By: _____
Martin Nussbaum
Authorized Signatory

GRANTEE:

_____

GRANTEE:

_____

STATE OF NEW YORK)
) SS.:
COUNTY OF KINGS)

On the _____day of _____, 202_, before me personally came Martin Nussbaum, to me known, and who executed the foregoing instrument and, who being by me duly sworn, did depose and say that he is the authorized signatory of 807 Manhattan Avenue LLC, a Delaware limited liability company, and that he executed the foregoing instrument in the name of said limited liability company and that he had authority to sign the same, and he acknowledged that he executed the same as the act and deed of said limited liability company.

_____
Notary Public

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

On the _____ day of _____ in the year 202__ , before me, the undersigned, a notary public in and for the state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT E

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

SITE PLAN

AND FLOOR PLANS

Condominium Offering Plan Report for

807 Manhattan Avenue Condominium

1080 Lorimer Street / 807 Manhattan Avenue

Brooklyn, New York 11222

Sponsor

1080 Lorimer Street LLC

38 East 29th Street, 9th Floor

New York, New York 10016

Structural Engineer

LMW Engineering Group, LLC

125 Lexington Avenue

Linden, New Jersey 07036

Architect

PKSB Architects, P.C.

330 West 42nd Street, 11 Floor

New York, New York 10036

Mechanical Engineer

A&D Engineering, PLLC

2606 East 15th Street

Brooklyn, New York 111235

AUGUST 28, 2019

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

20.7 (a) **Location & Use of Property**

(1)	Location/Address:	807 Manhattan Avenue a.k.a. 1080 Lorimer Street, Brooklyn, NY 11222
(2)	Block & Lot number:	Block 2596, Lot 1001, 1003-1031
(3)	Zoning:	Zoning Map 13-A; Zoning District: C4-3A; Residential District Equivalent: R6A
(4)	Permissible Use:	Use Groups 1-4 (residential and community facilities); Use Groups 5&6 (hotels, general retail, & offices); Use Groups 8-10 (large retail and amusement), Use Group 12 (Entertainment Facilities)
	Qulaity Housing Requirements:	
	ZR-28-10 BUILDING INTERIOR	
	ZR-28-11 Elevated Ground Floor Units	Not required. There are entrances to ground floor and basement level units at grade, but no floor area is deducted from the zoning floor area.
	ZR-28-12 Refuse Storage and Disposal	A refuse disposal room is provided on each story. The room is 25 sf and provide access to a trash chute and space for storage of recyclables. Recycling will be colleted daily be building maintenance. A trash compactor and trash storage room is provided at the basment level.
	ZR-28-13 Laundry Facilities	Not required. Washers and dryers are provided in each residential unit.
	ZR-28-14 Daylight in Corridors	Not required. Daylight is not provided in corridors.
	ZR-28-20 RECREATION SPACE AND PLANTING AREAS	
	ZR-28-21 Required Recreation Space	Recreation space required = 3.3% of the residential floor area. 1,401 sf of recreation space required. 1,515 sf of recreation space provided. (624 sf indoor gym provided at second floor; 363 sf indoor lounge provided at basement level; 528 sf of ourtdoor recreation space provided at basement level)
	ZR-28-22 Standards for Recreation Space	All recreation space is accessible only from the residential portion of the bulding. The minimum dimension of any recreation space is 15 feet. Outdoor recreation space is open to the sky. Indoor recreation space at the basement has an exterior window that is greater than 9.5 percent of the total floor space of the room. The second floor recreation space has a skylight that is greater than 9.5 percent of the total floor space of the room.

ZR-28-23 Planting Areas	The street wall of the building is located at the street line, therefore no planting areas are required.
ZR-28-30 SAFETY AND SECURITY	
ZR-28-31 Density per Corridor	Maximum number of dwelling units allowed served by a corridor per story = 11; Maximum number of dwelling units provided served by a corridor per story = 10.
ZR-28-40 PARKING FOR QUALITY HOUSING	Parking requirement is waived per ZR 35-362 and ZR 36-364.

20.7 (b) **Status of Construction**

(1)	Year Built:	1906 (Original Bank Building at Manhattan Avenue); 1925 (L-shaped extension); 1954 (Office extension at Lorimer Street)
(2)	Class of Construction:	Old Code, Fireproof Class 1
	Applicable Building Codes:	The building is subject to the 1968 NYC Building Code for Architectural and Egress; 2014 NYC Building Code for Structural Design (addition), Accessibility, Mechanical, Plumbing, and Fire Protection; and the 2016 NYC Energy Code for Mechanical, Plumbing, and new portions of the building envelope.

CONSTRUCTION ELEMENT	
Exterior Walls with a separation of 3'-0" or less	2 hour rated construction
Exterior Walls with a separation of 3'-0" - 15'-0"	2 hour rated construction
Exterior Walls with a separation of greater than 30'-0"	Not rated
Interior Bearing Walls	2 hour rated construction
Encloure of Verical Exits and Shafts	2 hour rated construction
Demising Walls Between Units	2 hour rated construction
Columns	2 hour rated construction
Structural Members Supporting a Wall	2 hour rated construction
Floor Construction Including Beams	1-1/2 hour rated construction
Roof Construction - 15'-0" or less above floor to lowest member	1 hour rated construction

(3)	Current Certificate of Occupancy:	Current Certificate of Occupancy allows for banking offices, private two car garage, storage and mechanical rooms, employee facilities, and a Place of Assembly at the basement level.

	Final Certificate of Occupancy:	A final certificate of occupancy will be issued upon completion of the work, changing the use of the property to: banking offices at the ground floor level, a total of 29 residential units at the basement through fourth floor, building support space in the basement and bank cellar, and an occupiable roof deck at the fourth floor level.
(4)	Alteration Permit Numbers:	The work is an alteration of an existing 3-story plus basement and roof bulkheads structure. An Alteration Type 1 application has been filed and approved. NYC DOB Job Number: 321197218
	Description of Work:	The proposed residential work includes conversion of the basement, partial first floor, and second and third floors to residential use, horizontal extension of the basement through third floor at the southwestern portion of the lot, and the addition of a fourth floor for residential use. The work in the converted and new residential portions of the building includes but is not limited to: interior and exterior demolition, installation of new mechanical, plumbing and electrical systems and equipment, installation of new structural elements, new floor systems, new roof systems and guardrails, installation of new roof decking, and the interior construction of twenty nine (29) new dwelling units.
	Special Conditions:	The bank portion of the building exceeds current zoning allowances for height and setback requirements. The residential portion of the building complies with current zoning allowances. Units 2E, 3E, 3G, 3H and 4D include lot line windows located 10 feet or less from the south property line. All lot line windows will be sprinkler protected. Lot line windows are permitted in R-2 occupancies provided that their areas comply with Table 705.8 of the 2014 NYC Building Code. All lot line windows provided comply with the area limitations based on their distance from the lot line. Lot line windows are not included in the calculations for legal light and air. In the event that a taller building is constructed on the adjacent lot, lot line windows located less than 3'-0" from the property line will be required to be closed and the unit owner will bear the cost. See full description of lot line window conditions in Section 20.7 h (1) (ii) below.

20.7 (c) Site

(1)	Size:	18,125 Square Feet (Street frontage at Lorimer Street: 100'-0"; Street Frontage at Calyer Street: 200'-0"; Street Frontage at Manhattan Avenue: 75'-0")
(2)	Number of Buildings:	One
	Use:	Current: Banking Offices and Place of Assembly; Proposed: Commercial and Residential
(3)	Streets:	No streets are owned or maintained as part of the property. The following streets that border the property are owned and maintained by the City of New York: North: Calyer Street Street; East: Manhattan Avenue; West: Lorimer Street
(4)	Drives, Sidewalks and Ramps	
(i)	Paving:	The sidewalks along the property are owned by the City of New York. Sidewalk paving is relatively new and in good condition. Sidewalks along the residential portion of the building will be replaced in accordance with Builder's Pavement Plans filed with the Department of Buildings. The sidewalk providing access to the building shall be free of tripping hazards and ponding, and the condominium shall be responsible for maintaining the sidewalks per the requirements of NYC DOT or AHJ. The sidewalks are sloped so as to drain water away from the building foundation.
(ii)	Curbs:	Granite at Manhattan Avenue, Concrete at Calyer Street and Lorimer Street. Curbs and curb cuts shall be ADA-compliant where repair or replacement is required.
(iii)	Catch Basins, Drainage:	There are no existing catch basins at the curb parallel to the property.
(iv)	Street Lighting:	There are seven existing historic light poles (five on Calyer Street and two on Manhattan Avenue) and they are maintained by the City of New York. There is one standard DOT light pole on Manhattan Avenue and one standard DOT light pole at Calyer Street. As part of the proposed work, two additional historic light poles will be installed in locations where they have been removed, one on Calyer Street and one on Manhattan Avenue.
(v)	Conformance to Local Codes:	The project is located in an existing building, and has been permitted based on conformance to the NYC 1968 building code, and 2014 codes for Mechanical, Plumbing, and Fire Protection.

20.7 (d) **Utilities**

Electricity:	i.Electrical service to the building will be provided by Con Edison. The electric service will be distributed throughout the building to various loads and will be directly metered by Utility Company. The electricity consumed by each individual Residential Unit. Each of the Residential Units shall be provided with dedicated meter. Each Residential Unit owner shall be solely responsible for the cost of their own individual electric bill. ii.Common areas and House loads (Lighting, Compactor, Elevator, Electrical Heaters, Elevator Machine Room AC, Pumps, Exhaust Fans and Miscellaneous small building electrical loads, Recreation Areas: shared lounge in basement and second floor gym) shall be commonly metered and the cost of electric use measured thereby shall be a common expense of all the unit owners.
Gas:	Gas will be metered by Con Edison. Two common gas meters will be provided for the Building. First - for all residential gas Ranges, second – for Central Hot Water Heaters. The cost of gas use measured thereby shall a common expense of all of the unit owners.
Water and Sewer:	Water supply and combined sewer servicing the Residential Condo Building will be provided by the City of New York DEP from Calyer Street. Water will be collectively metered for the Residential Condo building, and the cost of water use measured thereby with any sewer changes, shall be a common expense of all of the unit owners. The Commercial Unit has a separate water service from Manhattan Avenue that will be metered separately.
Telephone:	“Local” telephone service will be available for all residential units & provided by Verizon, Time Warner Cable and/or another service provider. Every Unit Owner will be required to pay their individual telephone charges and initial charges for activating individual outlets in the Unit. The telephone charges with respect to the public areas of the building (such as the concierge’s desk, maintenance offices, fire alarm and elevator, etc.) will be borne as Common Expense by all of the Unit Owners. In each residential unit a telephone outlet will be provided in locations as indicated on the plans.

	Cable Television and Internet:	i.Cable Television services will be available for all Residential Units provided by Time Warner Cable TV or Verizon FIOS (or alternate cable TV company). All charges for cable television service (including installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the cable TV company. In each Residential Unit, a Cable TV outlet will be provided as indicated on the plans. ii.High speed internet service will be available for all Residential Units provided by Time Warner Cable TV or Verizon FIOS. It is the responsibility of the unit owner to obtain such service from an internet service provider servicing the Condominium, and the cost of such service shall be paid by the respective unit owner.

20.7 (e) Sub-Soil Conditions

	Hazardous Materials; Environmental Restrictions	None identified.
(1)	Uneven or Settling Conditions:	Per the geotechnical report by Geo Tech Consultants, LLC on Oct. 20, 2017, borings indicate that the natrual glacial sands found below the fill are suitable for foundation support and spread footings can be designed for an allowable bearing capacity up to 2.5 tons per square foot.
(2)	Evidence of Moisture, Seepage:	Groundwater table was observed in borings at depth corresponding to elevations around 2.0'. (Approximately 13'-10" below the proposed basement level). No evidence of moisture or seepage or groundwater infiltration. A cold-applied single component waterproofing membrane will be applied to outside face of new concrete foundation walls.
(3)	Danger from flooding:	Less than 0.2% annual chance of flooding.
	FEMA Flood Zone:	Not in a flood zone; outside the 0.2% annual chance of floodplane, per FEMA designation
	Water Table:	Borings revealed ground water approximately 13'-10" below the proposed basement slab.

20.7 (f) Landscaping(Ground Floor)

(1)	Grass Cover:	None
(2)	Plants:	None
(3)	Trees:	There are two existing tree pits and deciduous street trees on Lorimer Street. Existing street trees are to be protected during construction and replaced, if damaged, according to NYC Department of Parks and Recreation guidelines. One new street tree will be planted on Lorimer Street.
(4)	Fencing:	None provided.

(5)	Gates:	None.
(6)	Garden Walls:	None.
(7)	Retaining Walls:	There is an existing retaining wall abuting the adjacent property to the south. The wall will remain and will be incorporated into new foundations required for the horizontal expansion. The new retaining wall will be constructed of poured in place concrete, approximately 1'-6" thick.
(8)	Display Pools, Fountains:	None

20.7 (g) **Building Size**

(1)	Total Height:	Approximately 58 feet - 1 inch
(2)	Crawl Spaces:	There is an existing Mechanical crawl space in the bank portion of the building adjacent to the Residential third floor. It will be accessed by roof hatch by way of an access easement for Commercial Unit 1 across the roof of the Residential Unit.
(3)	Number of Floors (by code):	Five including basement.
(4)	Number of Floors above Grade:	Four
(5)	Equipment Rooms:	Basement: Gas Meter Room, Water Room, Electrical Service and Meter Room, Telecom Room; Roof: Elevator Machine Room, Mechanical Equipment Room.
(6)	Parapet Heights:	Parapets at the fourth floor terrace setback is 3'-6" high.The parapet will be constructed of brick with cast stone coping.
	Guardrail Heights:	There will be a new painted metal pipe and perforated metal screen guard, 4'-3" high, around the perimeter of the roof area above the new fourth floor surrounding the mechanical equipment. There will be a new 3'-6" high glavanized metal guard rail around an stepped platform leading to the elevator machine room at the roof level.

20.7 (h) **Structural System**

	Foundation:	Existing foundations consist of concrete walls and footings at the perimeter walls of the 1954 portion of the building and masonry foundation walls at the 1906 and 1925 portions of the building. A new elevator pit will be installed within the area of existing slab on grade. New excavation will occur at the south western portion of the site. New concrete foundations and footings will be poured.
		There will be underpinning along the south property line. There is an existing retaining wall to remain along the southern property line is sloped up from east to west. The western half of the wall requires underpinning in order to accommodate the new excavation.
		An acoustic floor underlayment pad will be provided throughout to provide an IIC rating of greater than 50.

No subgrade drainage is required since the groundwater is well below (approx. 13'-10" below) the level of the proposed basement slab.

A cold-applied single component waterproofing membrane will be applied to outside face of new concrete foundation walls. Vapor barrier provided below new slab on grade.

(1) **Exterior of Building**

The building structure consists of masonry bearing walls and concrete encased steel floor framing at the 1906 and 1925 portions of the building. The 1954 portion of the building (in which the bulk of the residential conversion exists) consists of steel frame construction encased in concrete and concrete floor slabs. The new portions of the building will be constructed of structural steel with concrete on metal deck flooring.

(i) Exterior Walls:

The existing building exterior walls are 12" to 16" brick masonry bearing walls at the 1906 and 1925 portions of the building and are in fair condition. At the 1954 portion of the building on Lorimer and Calyer Street, the existing non-load bearing brick and masonry back-up walls will be removed. New walls will be constructed of light gauge metal stud framing, exterior sheathing, exterior insulation, and new face brick. The fourth floor addition will be constructed of an aluminum window wall system with some areas of spandrel glass and light gauge metal stud framing behind. A portion of the fourth floor addition facing the bank building and the new rooftop bulkheads will be constructed of light gauge metal stud framing with exterior sheathing and exterior stucco.

TYPES OF EXTERIOR WALLS:

Existing Building Exterior Walls at 1906 and 1925 Portions:	12" to 16" brick masonry bearing walls in fair condition. (R-value unknown)
1954 Portion of the building at Calyer and Lorimer Street and horizontal extension walls:	Existing non-load bearing brick and masonry back up walls will be removed. New walls will be constructed of light gauge metal stud framing with batt cavity insulation (R-21), exterior sheathing, exterior insulation (R-12), and new face brick.
4th Floor Addition Walls:	Aluminum Window Wall system (U value = 0.35) with some areas of spandrel glass and light gauge metal stud framing with batt insulation (R-21)
4th Floor East Facing Wall and Bulkhead Walls:	Three coat stucco system with cavity insulation (R-21)
No curtain wall proposed.	
Type of Construction:	Fireproof Class 1
Vapor Barrier:	6 mil polyvapor barrier at interior side of exterior wall assembly.

Insulation:	Batt Insulation at stud back-up wall, 2" rigid foam insulation behind new face brick.
Energy Conservation Code:	The building envelope of the existing portion of the building is exempt from the New York State Energy Code as a contributing building listed on the State and National Register. Additions to the building will comply with the 2016 New York City Energy Conservation Code. Mechanical Systems and Interior and Exterior Lighting for the entire Residential Section will comply with the 2016 New York City Energy Conservation Code.

(ii) Windows

Types & Locations:	New thermally broken aluminum windows with casement vents, manufactured by Pinum Doors and Windows, at the basement, 1st, 2nd, and 3rd floors; New thermally broken aluminum window wall with casement vents, manufactured by Pinum Doors and Windows, at the fourth floor addition; New wood double hung windows, manufactured by:_____, and new thermally broken steel casement windows, manufactured by:_____, at unit 2D; New aluminum casement windows, manufactured by Pinum Doors and Windows, at Units 3D, 2E, and 3E. Contractor to install limit stops throughout pursuant to NYC Local Law 57 of 2011 and condominium documents if required.
Flashing:	Perma-barrier Membrane Flashing
Caulking:	Kenseal Non-Sag Exterior wall sealant.
Glazing:	1" Insulated Glazing Unit
Lintels:	Hung and Loose Steel Lintels
Sills:	New cast stone sills at all new windows. Existing stone sills to remain at existing windows in units 2D, 2E, 3D and 3E.
Finish:	Factory Applied Painted Finish at exterior
Hardware:	By window manufacturer.
Warranty:	By window manufacturer. There is a 10-year warranty on the general window product.

Lot Line Windows:

There will be lot line windows in the following units:

Unit 2E: Two 6'-4" wide x 8'-0" high windows located 10'-0" from the south lot line; One 2'-10" wide x 5'-6" high window located at the east lot line.
Unit 3E: Two 6'-4" wide x 8'-0" high windows located 10'-0" from the south lot line; Two 3'-9" wide x 5'-8" high windows located 4'-9" from the south lot line.
Unit 3G: One 7'-0" wide by 8'-0" wide window located at the south property line.
Unit 3H: One 2'-6" wide x 8'-0" high window located at the south lot line.
Unit 4D: One 3'-8" wide x 5'-11" high window located at the south lot line and One 4'-5" wide x 6'-4-1/2" high window located 10'-0" from the south lot line.

All lot line windows will consist of fixed insulated glass windows limited to the areas permitted by code. Sprinkler protection at each window will be provided.

The unit owner will bear the cost of closing any lot line windows if required due to construction at the adjacent lot. Windows located directly at the lot line that would be required to be infilled due to construction at the adjacent property are located in units 2E, 3G, 3H, and 4D. Windows will be infilled with a rated exterior wall assembly. Lot line windows at Units 2E, 3E and 4D that are located between 3'-0" and 15'-0" from the lot line can remain. However, should an adjacent structure be erected in the future, adjacent construction may result in the loss of views from the lot line windows.

(iii) Landmark Status

807 Manhattan Avenue (Residential Address: 1080 Lorimer Street; a.k.a.: The Greenpoint Savings Bank) is located within a New York City Historic District (Greenpoint), and is listed on the State and National Registers of Historic Places.

Consequences: All work on the building and individual units, both interior and exterior, other than routine maintenance, requires review and approval by the New York City Landmarks Preservation Commission under current regulations. These reviews and approvals must be obtained prior to issuance of permits for construction. As a National Historic Landmark, the building is currently exempt from providing the calculations required to comply with Energy Code. Best practices are still employed in selecting light fixtures, energy efficient appliances, building insulation, and insulated glass. The NYC Department of Buildings should be consulted for any changes in regulations.

(2) Parapets & Coping

Materials: Parapets at the 1906 and 1925 portions of the building are brick masonry with stone coping and are in fair condition. New parapets at the fourth floor terraces on Calyer Street and Lorimer Street will be brick masonry with cast stone coping. Parapets at the fourth floor addition and bulkheads will be minimal curbs with painted aluminum coping. Protective guard rails will be provided set back from the building face.

Method of Attachment: The stone copings are anchored in a mortar bed and will be repaired as necessary. New cast stone copings will be anchored to new concrete block supported on the existing or new roof slab. Railings and mechanical screens will be anchored either to concrete slab or to new steel beams below the roof.

Indication of Problems: None observed

(3) Chimneys, Flues & Caps

The building has no chimneys.
There are ducted ventilation shafts for toilet and kitchen exhausts. These are exhausted on the main building roof and the stair bulkhead roof. There are also vents at the building bulkhead roof for the gas fired hot water heaters at the roof level.

Number of Flues: 2 of B-type vents & 2 of combustion air pipes

	Materials:	Approved vent and intake air pipe materials to be used: CPCV pipe materials: •CPCV 41 ASTM-D2846 or CSA B137.6 •Schedule 40, 80 ASTM-F441 or CSA B137.6 •SDR Series ASTM-F442 Polypropylene: •M & G Duravent PolyPro vent system •Centrotherm InnoFlue vent system AL29-4C Stainless Steel: •HeatFab Saf-T Vent •Duravent FasNSeal.
	Boilers:	None
	Incinerators:	None
	Compactors:	Trash compactor provided at basement level.
	Fireplaces:	None
	Decorative:	None
	Conditions:	None
	Locations:	

(4) Balconies & Terraces

(i)	Deck/Finish Material:	Concrete pavers on adjustable pedestal system in the following locations: At occupiable apartment roof terraces at units 3D, 4A, 4B & 4D; At apartment terrace on grade at unit 1G; at shared recreation terrace on grade at Basement Level. Terraces will be listed as accessory to residential units on the Certificate of Occupancy. Terrace pavers are part of the roofing system and included in the roof warranty. Terrace pavers are concrete and can support the live loads required by code for accessory roof terrace. Terrace pavers have a textured finish for slip resistance.
(ii)	Balustrade Types and Materials:	None
(iii)	Railings Material:	There will be a new painted metal pipe and perforated metal screen terrace dividers, 6'-0" high, between each terrace.
(iv)	Coping Materials:	Cast stone
(v)	Soffits Materials:	None
(Vi)	Door Types & Materials:	Thermally broken aluminum and glass entry doors within aluminum window wall system, manufactured by Pinum Doors and Windows.

	Drainage at Roof Terraces:	One roof drain with one overflow drain will be provided at the terraces at Units 3D, 4B, and 4D. Two roof drains and two overflow drains will be provided at the terrace at Unit 4A. All roof drains are located above other residential units. Emergency overflow drains are provided as a precaution against water infiltration to the units below. Unit owners whose units include roof terraces shall be responsible for maintaining clear access to roof drains. Any leaks caused by improper maintenance of drains or blocked access to drains shall be the respobsibility of the terrace's unit owner. Any leaks caused by defects in the piping below the roof slab or internal to the building shall be the responsibility of the Residential Board and the cost of repair would be a Residential Common Expense.
(5)	**Exterior Entrances**	
(i)	Exterior Doors & Frames	New thermally broken aluminum and glass entry doors, manufactured by Pinum Doors and Windows, to be provided at Lorimer Street main lobby entrance and duplex entraces to Units 1A, 1B, and 1F. Doors will be provided with individual locks for each Unit owner.
(ii)	Vestibule Doors & Frames	New thermally broken aluminum and glass vestibule doors, manufactured by Pinum Doors and Windows, to be installed at the main lobby entrance. Access control provided by intercom security system.
(iii)	Exterior Stairs	None
(iv)	Railings	None
(v)	Mail Boxes	New painted aluminum USPS approved mailboxes will be installed at the elevator vestibule in the building lobby.
(vi)	Lighting	New exterior ceiling mounted fixtures will be provided at the underside of canopy at the main lobby entrance. Exterior light fixtures will be provided at each duplex unit entrance on Lorimer Street.
(6)	**Service Entrances**	
(i)	Doors & Frames:	New aluminum doors in aluminum frames at Calyer Street service entry.
(ii)	Gates:	None.
(iii)	Exterior Stairs:	None.
(iv)	Railings:	Steel pipe railing at interior stairs.
(7)	**Roof & Roof Structures**	
(i)	Roof Types:	ROOF ASSEMBLY 1: Occupied Terraces at Units 3D, 4A, 4B, 4D ROOF ASSEMBLY 2: Non-Occupied and Mechanical Roofs (above new 4th Floor) EXISTING ROOF OVER 1925 AND 1906 PORTIONS.

(a)	Roof Material:	ROOF ASSEMBLY 1: Concrete Pavers on adjustable pedestals, filter fabric, roof insulation, drainage mat, waterproofing membrane, vapor barrier, polymethyl methacrylate (PMMA) roofing membrane, existing or new concrete slab. ROOF ASSEMBLY 2: SBS Modified Bitumen Roofing Membrane, protection board, polyisocyanurate tapered insulation, vapor barrier, densdeck, currugated metal decking with spray on fireproofing. EXISTING ROOF OVER 1925 AND 1906 PORTIONS: Existing roofing membrane over protection board and concrete fill.
(b)	Surface Finish:	ROOF ASSEMBLY 1: Concrete roof pavers ROOF ASSEMBLY 2: SBS modified bitumen membrane. EXISTING ROOF OVER 1906 AND 1925 PORTIONS: Existing roof membrane.
(c)	Insulation:	ROOF ASSEMBLY 1: Rigid closed-cell extruded polystyrene foam insulation ROOF ASSEMBLY 2: Polyisocyanurante tapered insulation.
(d)	Bond or Guarantee:	A two year warranty is offered by the installer.
	Warranty:	20-year material and labor warranty with no monetary limit by manufacturer when installed per vendor specifications and upon successful completion and acceptance by manufacturer. Portions of the roof that are above Residential Units 3D, 3E, and shared gym are existing to remain and are not under warranty. Terraces will be listed as accessory to residential units on the Certificate of Occupancy. Terrace pavers are part of the roofing system and included in the roof warranty. Terrace pavers are concrete and can support the live loads required by code for accessory roof terrace. Terrace pavers have a textured finish for slip resistance.
(e)	Flashing Materials:	Copper sheet metal
(ii)	**Drains**	
(a)	Location, Material, & Type:	On the roof and on the terraces, cast iron, roof drain with flow control device and overflow roof drain
(b)	Gutters and Leaders:	A 4" gutter will be provided at the roof above Unit 3D. Two leaders will be provided to direct water to the terrace of Unit 3D. A roof drain and overflow drain will be provided at the terrace level. 4" gutters will be provided at bulkhead roofs. 4" diameter leaders will direct water to the roof above the new 4th floor where roof drains with overflow roof drains will be provided.

(iii)	**Skylights**	
	Locations & Sizes:	Two new metal and glass skylights above each stair bulkhead with operable vents tied to fire alarm system, approx. 5'-4" x 2'-4"; One fixed skylight above unit 3D bedroom approximately 6'-0"x4'-6"; One skylight with operable vents above 2nd floor recreation space, approximately 6'-5"x11'-0"
	Materials:	Aluminum frame with clear tempered insulating glass at new skyilghts.
	Types:	Fixed and vented
	Conditions:	
(iv)	**Bulkheads**	
(a)	Stairs:	One stair bulkhead providing access from both scissor stairs to the roof. Bulkhead will be constructed of new steel studs with exterior sheathing, waterproof membrane, and stucco withan applied color coating.
(b)	Elevator:	New steel studs with exterior sheathing, waterproof membrane, and stucco withan applied color coating.
(c)	Other:	New mechanical bulkheads are to be steel studs with exterior sheathing, waterproof membrance, stucco with an applied color coating.
(v)	**Metal Work at Roof Levels**	
(a)	Exterior Metal Stairs:	Stepped platform for access to elevator machine room on roof will be constructed of metal grating.
(b)	Vertical Ladders:	Two fixed painted metal ladders will be provided. One on Lorimer Street 4th Floor setback façade, providing access from the roof terrace to the upper roof; the other ladder will be provided at the east façade of the fourth floor addition providing access to the existing lower roofs above the 1925 and 1906 portions of the building. A six-foot wide clear zone along the full length of Calyer Street and Lorimer Street frontages will be provided to allow for required Fire Department of New York (FDNY) access. A six-foot wide path shall be provided from front to back and side to side as indicated on roof plans. The zone must remain clear of obstructions at all times. An additional fixed ladder will be provided on the interior of the building within the shared recreation space. The ladder will be located in a closet with a locked door and will provide keyed access to a mechanical crawl space serving the Retail Unit. The Retail Unit will have an access easement through the shared rec space.
(c)	Railings:	There will be a new galvanized metal pipe guardrail, 3'-6" high, around the stepped platform leading to the elevator machine room.

(d)	Hatches:	None
(e)	Other:	Galvanized steel dunnage for rooftop mechanical equipment

(vi) Rooftop Facilities

	Mechanical Areas:	Rooftop condensing units and ventilating unit for the residential portion of the building will be located at the new roof above the new fourth floor. Mechanical equipment for Commercial Unit 1 exists on the roof above the third floor at the 1925 portion of the building.
	Mechanical Rooms:	A roof level mechanical room will contain the domestic water heaters and accessories. An elevator machine room will be located adjacent to this room.
	Other:	No other rooftop facilities (antennae, cell towers, satellite dishes, etc.) are proposed.
	Code Compliance:	All rooftop terraces are accessory to residential use and are permitted by NYC Zoning Resultion and NYC Building Code.
	Fire Department Access:	The rooftop is in compliance with the 2014 NYC Fire Code, section 504.4 for Rooftop Access.

(8) Fire Escapes None.

(9) Yards & Courts A 1200 sf Inner Court is provided at the south lot line.

The western portion of the court will be an occupied terrace for Unit 1G (646 sf). The eastern portion of the court will be an occupied terrace for shared recreation use. (556 sf).

(i)	Paving Material:	Concrete pavers on pedestals.
(ii)	Drainage type & material:	Area drains, by gravity, cast iron.
(iii)	Railings material:	None
(iv)	Stairs material:	None
(v)	Fencing type:	There will be a new painted metal pipe and perforated metal terrace dividers, 8'-0" high, between each terrace.
(vi)	Wall type and material:	New exterior walls at north and west side of court: Metal Stud Framing with Face Brick; Existing Masonry walls at east side of court; Side lot line (no building) at south side of court.

(10) Interior Stairs

(i)	Number of stairs of each type:	There will be two new interior egress stairs located in a scissor stair configuration leading from the roof to the basement level. One stair egresses through the residential lobby onto Lorimer Street. The other stair egresses through an exit pathway leading to Calyer Street. Commercial Unit 1 has an easement to egress through the residential unit at the basement level.
(ii)	Enclosure:	2 hour rated gypsum wall board on metal studs;

(iii)	Stair Construction:	Steel pan with concrete fill
(iv)	Stringers:	Steel
(v)	Treads:	Concrete fill
(vi)	Risers:	Steel
(vii)	Hand and Guard Rails:	Painted Steel
(viii)	Balustrades:	None

(11) Interior Doors & Frames

(i)	Unit Entrances & Frames:	Typical 90 minute rated metal elevator hositway door. Hollow metal entrance door.
(ii)	Unit Interior Doors and Frames:	Wood doors and frames.
(iii)	Corridor Doors and Frames:	Metal doors and frames. Honeycomb core metal 90 minute fire protected self closing door rated 90 minutes to meet code requirements.
(iv)	Roof Doors:	Metal doors and frames. Hollow metal 45 minute fire protected self closing door rated 45 minutes meets code requirements.
	Basement Doors and Frames:	Metal doors and frames. Hollow metal 90 minute fire protected self closing door rated 90 minutes meets code requirements.

(12) Elevators

(i)	Number provided:	One new elevator will be provided.
(ii)	Manufacturer:	EEVI Elevators and Escalators
(iii)	Type of Operation:	Passenger
	Capacity:	3,000 lbs.
(iv)	Type of Controls:	Automatic
(v)	Floors served:	Basement through Fourth Floor
(vi)	Type:	Geared Traction
(vii)	Doors:	Sliding
(viii)	Location of Machine Rooms	Roof
(ix)	DC Motor:	No.
(x)	AC Motor Generator Set:	Yes. Generator not required.
(xi)	Other:	

(13) Elevator Cabs

(i)	Manufacturer:	EEVI Elevators and Escalators
(ii)	Floor:	Porcelain Tile
(iii)	Walls:	Stainless Steel
(iv)	Ceiling:	Stainless Steel
(v)	Lighting:	LED Downlights
(vi)	Alarm/Safety System:	Stop switch and Fire Service (elevator recall) will be provided.

20.7 (i) **Auxiliary Facilities**

(1)	Laundry Rooms:	
(i)	Location:	None, washer and dryer provided in each unit.
(ii)	Clothes Washers:	Washer provided in each unit.
(iii)	Clothes Dryers:	Electric Dryer provided in each unit.
(iv)	Room Ventilation:	N/A
(v)	Dryer Ventilation:	N/A
(2)	Refuse Disposal	
(i)	Incinerators:	None
(ii)	Compactors:	Compactor provided at basement level. Model CE-150 by Chutes Enterprises. Maximum capacity is 11 cubic yards per hour.
(iii)	Approvals:	N/A
(iv)	Initial Storage Location:	A garbage chute is provided with access at each floor to convey trash to the storage room at the basement level. Recylcling bins will be provided at each level.
	Ultimate Storage Location:	A garbage and recycling storage room will be provided at the basement level. The room will be cooled and the door provided with gaskets.
(v)	Pick-up Schedule & Provider:	NYC Department of Sanitation will pick up residential garbage and recycling
(3)	Bike Storage	A 185 sf bike storage room will be provided at the basement level. The bike storage room will be accessible from the main lobby by stair or elevator. Walls will consist of metal studs and mold and moisture resistant sheetrock and will carry a 2 hour fire rating. Door will be locked and accessible only to residents having a key. Bike rack system: Bike File by Dero. Space for 18 bikes will be provided. Individual bikes will be secured (locked) to the rack system by the unit owner.
(4)	Storage	A 449 sf residnetial storage room will be provided at the basement level. The storage room will be accessible from the main lobby by stair or elevator. Walls will consist of metal studs and mold and moisture resistant sheetrock and will carry a 2 hour fire rating. Door will be locked and accessible only to residents having a key. 10 storage bins will be provided in a storage room in the cellar. Storage bins will be made of chain link metal partitions and will be provided with a door with locking capability. Locks will be provided by the unit owner. Storage bins will be assigned by the Sponsor on a first come-first serve basis.

(5) Mail/Package

USPS approved horizontal mailboxes will be provided at the entry vestibule for each unit. There will be a package room beyond the secondary vetibule door located adjacent to the elevator. The package room will be accessible from the residential lobby. The room shall be locked and will be accessible only to residents having a key.

20.7 (j) Plumbing and Drainage

(1) Water Supply:

i. There will be (2) DEP approved 3-inch domestic water service & 6-inch fire protection water service. Domestic water supply to the Building from street water main will be metered by one meter. After the water meter assembly and DEP code required back flow preventer device, water is pumped from a triplex constant pressure booster to all plumbing fixtures and equipment in the Building from the basement level to the 4th floor. The booster pumps system will be a lead/lag triplex pump system sized at 50GPM, 92 ft. head, 3 hp. Pump will be manufactured by Bell & Gossett Co. or an alternate acceptable manufacturer. Main shut off valve will be located into the Water Meter Room in the basement.
ii. Water Piping:
a.Service piping - AWWA ductile iron class 52 and 104.
b. Above ground – Copper type "L" ASTM B-88.
iii. Piping Insulation:
All hot water pipe with 1” thick and all cold water pipe with ½” thick Manville Micro-Lok AP-T Plus Fibergalss insulation. Fittings and valves shall be insulated with Manville Zeston 2000 PVC insulated fitting cover or approved equal.

(2) Fire Protection

(i) Stand-pipes:

Sprinkler/standpipe risers to be 4” and 6” black steel pipe schedule 40 with Victaulic couplings or equal and fittings located in stair core. Sprinkler mains of 2-1/2” or larger to be Schedule 10 steel pipe, all others to be schedule 40 steel pipes. Drain risers are to be galv. Schedule 40 pipe.
Location: Stair Core.

(ii)	Hose Racks & Nozzles:	i.Fire Hose Cabinet, manufactured by Potter Roemer, model # NYC-2000,contains: - tree (3) open nozzles, - two (2) 1.5" spanner wrenches, - two (2) 2.5" spanner wrenches, - two 2.5" x 1.5" non-swivel reducing couplings and 375' of 1.5" hose. ii.Location of the Fire Hose Cabinet to be approved by fire comissioner. iii.Sign will be placed on the storage cabinet indicating location of the key for fire hose cabinet. Additional labeled key will be kept on the locked receptacle marked for "Fire Department Use Only" near to the storage cabinet and can be open with Fire Department standart key.
(iii)	Sprinklers:	Sprinkler Head: UL and MEA approved quick response, pendant, upright and sidewall sprinkler heads. Location: Provided throughout the Building. Entire Building is protected by sprinklers, except in areas not required to be sprinklered by Code.
	Fire Pump:	None provided
	Fire Water Service:	The 6” sprinkler water supply with DEP approved double check detector valve for the Sprinkler system. Main flow control valve / switch is located in Building water meter room. Sprinkler risers located within the stairs & trash shute: 4” riser – within stair A core, 6” riser - within the stair B core, 2” riser – within trash shute core. Sprinkler system will be as per New York City Building Code. All residential units (except bathrooms and closets), all common spaces, and below grade spaces are to be fully sprinkler protected.
(iv)	Siamese Connections:	Siamese connection located as per NYC Building Department requirements at the basement level facade. The finish to be Polished Bronze or Brass with caps painted green.

(3) Water Storage Tanks None provided

(4) Water Pressure

Booster Pump: The booster pumps system will be a lead/lag PrimeFlow Triplex Domestic Booster System sized at 105GPM, 97ft. head that consist of three Grundfos Model CR10-3 Vertical Multistage Pumps (Each pump 53GPM@42PSI, 3HP, 208 V, 3 Phase). Pump will be manufactured by PrimeFlow Co. or an alternate acceptable manufacturer. Main shut off valve will be located into the Water Room in the cellar. Grundfos warranty: full 12-month warranty on all repair service from shipment, and extended warranties (up to 3 years).

City/Water Main Pressure:

Water Pressure and How Maintained:
i.The Building from the basement level and above is furnished with separate triplex constant pressure booster system to feed one zones of water supply for entire building.
ii. The Hydrant flow test provided by NYC DEP dated 03/27/2015 indicates a static pressure of 57 PSI with a residual pressure of 56 PSI with 500 GPM flowing.
iii. Hose bibs in the water meter room and in the trash compactor room of the basement level will operate on street pressure.
iv. The domestic water pressure within the apartments will be maintained by the booster pump systems between approximately 80 PSI max at the ground floor and 33 PSI min at the roof.
v. Maximum pressure at any fixture will be 83 PSI as required by NYC code.

Other:

Water Supply:
i. There will be (2) DEP approved 3-inch domestic water service & 6-inch fire protection water service. Domestic water supply to the Building from street water main will be metered by 1 meter. After the water meter assembly and DEP code required back flow preventer device, water is pumped from a triplex constant pressure booster to all plumbing fixtures and equipment in the Building from the basement level to the 4th floor. Main shut off valve will be located into the Water Meter Room in the basement.
ii. Piping Insulation:
All domestic water piping including cold, hot and hot water return shall be copper, insulated and sized as required by Code. Cover all hot water pipe and all cold-water pipe with 1.5 inch thick Manville micro-lok AP-T plus fiberglass insulation. Fittings and valves shall be insulated with Manville Zeston 2000 PVC insulated fitting covers.
iii. Pipe sizing and installation to be as per New York City Building Code.
iv. Water Piping:
a. Service piping - AWWA ductile iron class 52 and 104.
b. Above ground – Copper type "L" ASTM B-88.

The systems described above relate to the water service provided for the Residential Condominium Unit. The Commercial Unit has a separate water service from Manhattan Avenue that will be metered separately.

(5) Sanitary Sewage System

(i)	Sewage Piping Materials:	i. Permit as required for DEP Site connection proposal for a new 8-inch combined sewer shall be required including special inspections for control flow storm water retention. ii. Sewer piping materials shall be E.H.C.I. pipe hub & spigout ASTM 74; sanitary waste gravity discharge to street combined sewer, sized as required. iii. Building will have multiple stacks and vent system with all areas above grade flowing by gravity to adjacent sewers in street. iv. Sewer will be discharge into New York City sewer system.
(ii)	Sewage Ejector Pump:	None provided
(iii)	Sewage Disposal:	None provided

(6) Permit(s) required

i. DEP approval and permit required Site sewer connection proposal.
ii. DEP approval and permit required for Domestic water and Fire services backflow preventer devices including required filing of GEN 236 and 215B forms.

(7) Storm Drainage System

(i)	Catch basins locations:	None provided. No drywells in this project.
(ii)	Yard and roof drains locations:	i. Storm drainage will be collected via roof and terrace drains and discharged to the combined sewer and into the street main. ii. Storm drainage system shall be installed as designed and as required per New York City Building Code with storm water retention roof drains that control the storm water flow on the roof. The main roof will consist of (3) controlled flow roof drains with (3) overflow roof drains. iii. All areas above grade will flow by gravity.
(iii)	Piping Materials:	Cast iron
(iv)	Sump Pumps:	The Sump Pump (elevator pit) will be a simplex oil-minder pump system sized at 45GPM, 20 ft. head, 1/2 hp, 0.967 power factor. Pump will be manufactured by Stancor Co. or an alternate acceptable manufacturer. Stan-Cor Limited Warranty: Wanner Engineering, Inc. (“Wanner”) extends to the original purchaser of equipment supplied or manufactured by Wanner and bearing its name, a limited one-year warranty from the date of purchase against defects in material or workmanship, under normal use and service, and provided the equipment is installed, operated and maintained in accordance with instructions supplied by Wanner.
	Drains:	Roof drain with flow control device and overflow roof drain.
	Gutters & Leaders:	None provided

20.7 (k) **Heating**

(1)	Is heating & domestic hot water capable of providing peak services?	Yes
	Describe heating system ability to maintain legally required temperatures under anticipated weather conditions:	1.Heating for Residential Units will be provided by an HVAC system with VRV-IVS & VRV-IV individual electrical heat pump units, split and ducted type, manufactured by Daikin or approved equal, see tabulation below. Heat is provided in accordance with the controls sequencing. Heating system is designed based on energy performance maintaining space temperature settings from local thermostat for each unit. Each indoor unit will have a custom programmable thermostat. The thermostat will maintain space temperature based on time of day settings. Air Ducts will be insulated with 1" of felt insulation within the ducts and 1 ½" externally. 2.Domestic hot water is provided by two (2) central hot water heaters direct gas-fired: 2*119 gal. Hot water heaters located in the roof floor HWH room with 4" vents with a back draft protection. HWH-1 & HWH-2 will have an instantaneous recovery of approximately 349 GPH @100 Degree F, 0.96 energy factor. The hot water heaters are supplied by A.O. Smith with model # BTH-300A. Warranty is provided by A.O. Smith: • Limited Tank Warranty Term: 3 Years; • Limited Parts Warranty Term: 1 Year. The system will have circulation pumps and hot water return piping to maintain the temperature of the hot water circulated to fixtures as per NYC code. There is no instant hot water system in the residential units. 3.Heating units: See Air conditioning tabulation in Appendix for equipment schedule. i. Heating for the lobby and corridor will be provided by Electrical split heat pumps located on the main roof. ii. Heating for the all Residential Units will be provided by Electrical split heat pumps located on the main roof. iii. Heating for gas & water meter rooms, trash compactor room, HWH's room, bike storage, stairs and vestibule will be provided with Electrical baseboard heater. iv.Heating for bathrooms located at perimeter wall & underneath roof of units #1F, 2H, 3H, 1E, 1G, 2G, 3G, 4A, 4B will be provided with the local toilet electric heater. v. Additional heating of the walk-in closet of the unit #1G will be provided with the Electrical baseboard heater. 4.See Appendix table for energy efficiency rating.
	Interior Temperature used in calculations:	Indoor (°F DB/WB): 70 /

	Ambient Temperature used in calculations:	Ambient (°F DB/WB): 47 / 43
(2)	Number of boilers and manufacturers:	None provided
(3)	Boiler Manufacturer:	None provided
(4)	Burner Manufacturer:	None provided
(5)	Type of Controls:	Local 7 day programmable thermostats
(6)	Radiators:	None provided
	Piping:	Hot water and refrigerant water piping is Type K, Type L, copper for sizes less than 3” and schedule 40 steel for sizes 3” and above.
	Insulation:	All ductwork running in unconditioned areas shall be insulated with R-6 fiberglass insulation. Piping insulation has an R-value of 4.0 per inch. Hot water piping has an insulation thickness of 1”. Ductwork insulation - supply ductwork has an insulation thickness of 1”.
	Valves:	Valves are rated for the temperatures and pressures of the system they serve.
	Pumps:	(2)Recirculation pumps: B & G bronze booster pump mod. #HD3 20 GPM, 18 Ft head, 1/3 H.P., 115V, 60Hz
(7)	Fuel Type and Grade:	Natural gas fired hot water heaters
(8)	Location of Oil Tank:	None provided
	Materials:	None provided
	Enclosure:	None provided

20.7 (l) Gas Supply

(1)	Type:	Natural gas metered service is supplied by Con Edison.
(2)	Meters:	Two common gas meters will be provided for the Building. First - for all residential gas Ranges, second – for Central Hot Water Heaters.
(3)	Piping:	Gas pipes to be Schedule 40 as per New York City Building Code. All Gas piping up to 3” in size shall be Schedule 40 ASTM, A53A black steel with screwed malleable iron fittings. All gas piping 4” in size or larger shall utilize welded fittings.

20.7 (m) **Air Conditioning**

(1) Describe cooling system ability to maintain comfortable temperatures under anticipated weather conditions:

1.The air conditioning systems are designed to provide 72°F maximum indoor temperature in heating mode and 75°F minimum indoor temperature for cooling mode to comply with the NYC Energy Code. This shall be accomplished with outdoor design NYC design conditions of 12.6° for heating and 89.3 DB and 73 WB for cooling. A year-round heating and cooling system consisting of Daikin VRV-IVS mini-split type heat pump system with roof mounted condenser units for each residential apartment unit. The apartment air handlers have ducted & non-ducted air distribution inside apartments. Refrigerant water pipes will be constructed of copper and insulated. Piping will consist of a 2-pipe system. Units inside the apartments will have the ability to either provide heating or cooling, but cannot provide heating and cooling at the same time. Each electric heat pump unit will be provided with its own heating and cooling thermostat and function per the sequence of operation outlined. The thermostat will have the ability to control the fan and mode of operation automatically based on room conditions. All exterior metals, including fasteners, must be corrosion resistant.
2.Stairs are unconditioned.
3.Lobby is cooled by the wall mounted system.
4.Recreation areas are cooled by the ducted system.
5.All ductwork running in unconditioned areas shall be insulated with R-6 fiberglass insulation. All refrigerant piping shall be insulated with Armaflex insulation with protective tape all around in accordance with NYC Energy Conservation Code, see a table in the Appendix. Specification for insulation of rooftop piping and airducts is in the Appendix.
6.Warranty Daikin: Standard Warrant-for parts only 1 year from installation or 18 months from shipment. Compressors are cc for 7 years for parts only with the same time stipulation as the warranty.

See Equipment Specifications in Appendix for energy efficiency ratings.

	Interior Temperature used in calculations:	Indoor (°F DB/DB): 80 / 67
	Ambient Temperature used in calculations:	Ambient (°F DB/WB): 95 / 75
	Residential A/C System:	Apartments are cooled by the ducted & non-ducted system.
(2)	Central System:	None
(3)	Cooling Towers:	None
	Condensers:	Every unit has its own condenser, which is located at bulkhead roof. Condensers are Daikin or approved equal.
	Fan Coil Units:	None

	Vibration & Noise Attenuation:	To being located on the roof, condensers are mounted on dunnage, which greatly reduces sound transmission.
(4)	Individual Units covered by the offer:	Individual mini-split electrical heat pumps for each unit.

20.7 (n) **Ventilation**

Residential Kitchens:	All kitchens for apartments are ventilated in compliance with NYC code by ceiling mounted grilles at 40 CFM/kitchen via common exhaust fan. The main vertical exhaust riser exhausts air to the roof level by roof mounted common exhaust fan. Roof fan will have duct mounted static pressure sensor with VFD drive on each main roof exhaust fan.
Fireplaces:	None
Bathrooms:	Bathrooms are provided with common exhaust fan at the NYC code required intermittent rate of 30 CFM/toilet. The main vertical exhaust risers exhaust air to the roof level exhaust fan. Fan will have duct mounted static pressure sensor with VFD drive on each main roof exhaust fan.
Residences:	Natural ventilation via operable windows.
Residential Storage:	10 storage bins will be provided in a storage room in the cellar. Storage bins will be made of chain link metal partitions and will be provided with a door with locking capability. Locks will be provided by the unit owner. Storage bins will be assigned by the Sponsor on a first come-first serve basis.
Trash Rooms:	Trash Compactor Room is exhausted with 200 cfm.
Roof MERs:	HWH room provided with 2x4"combustion air pipes.
Dryer Exhaust:	None
Cellar/Lobby	All common spaces & corridors are ventilated in accordance with current mechanical code.
Noise Emmission Rating for Mechanical Ventilation	See Fan Schedule in Appendix.

20.7 (o) **Electrical System**

(1)	Service from main switchgear:	Electrical service will be provided into basement level main electrical room. Service from Con Edison shall be sized as per building's electrical loads in accordance with the New York City Electrical Code. Service to the building will be 1600A, 120/208 volt, 3- phase, 4 wire and distributed to individual Residential Units and base Building electrical systems via power and lighting panels. Dedicated service and electrical equipment for individual Residential units and base Building distribution systems are sized based on their respective loads. All feeders are sized based on NEC & will be copper. The wire sizes as per electrical drawing considering ampacity, condition of installation and voltage drop.

(2)	Service to individual units:	Main electrical room consolidating electrical service and metering equipment for individual Residential Units, and common electrical equipment located in the basement level of the building. Local distribution equipment for Residential Units is situated in their respective spaces. Power for Residential Units is distributed from meter banks and disconnect switches in main electrical room.
(3)	Compartment Switch Gear:	1600A compartment switch gear provided in main electrical room located in the Basement Level. None transformers in this building.
(4)	Unit Service:	1.Service to individual Residential Units from meter banks include dedicated feeders that run to each Residential Unit and terminates at the apartment panel boards. Residential Unit feeders sized as required by load and voltage drop. Each Residential Unit feeder is protected by individual overcurrent protective device at the meter bank location and consist of: - 2p-80A C/B for apartments: #1E, 2B, 3B, 4C; - 2p-100A C/B for apartments: #1A, 1B, 1C, 1D, 1F, 1G, 2A, 2C, 2D, 2E, 2F, 2G, 2H, 2J, 3A, 3C, 3D, 3E, 3F, 3G, 3H, 3J, 4A, 4B, 4D. 2.All Residential Units will be supplied with 120/208V, 1 phase, 3 wire + ground, 42 pole power panels with single and double pole circuit breakers in each unit. All wires are sized based on NEC & will be copper.
(5)	Adequacy:	
(i)	Service:	Capacity provided for each Residential Unit will be in accordance with Code requirements, sized at 120/208V, 1 phase, 3 wires: - 2p-80A C/B for apartments: #1E, 2B, 3B, 4C; - 2p-100A C/B for apartments: #1A, 1B, 1C, 1D, 1F, 1G, 2A, 2C, 2D, 2E, 2F, 2G, 2H, 2J, 3A, 3C, 3D, 3E, 3F, 3G, 3H, 3J, 4A, 4B, 4D. Service will be adequate to meet normal apartment appliance, lighting and air conditioning loads.
(ii)	Lighting and Fixtures:	Shall be in accordance with Architectural reflected ceiling plan and lighting fixture schedule.
(iii)	Convenience Outlets:	Receptacles will be provided in all rooms to meet the New York City Electrical Code. All receptacles in Residential Units will be protected with AFCI (Arc Fault Circuit Interrupting) type circuit breakers, except as otherwise required by NYC Electrical Code.

	Appliance Outlets:	Appliance receptacles will be provided in kitchens. Dedicated appliance receptacles will be provided for laundry equipment and individual loads such as cooking range and clothes washers & dryers. Ground fault receptacles will be provided in all bathrooms, kitchens, and at Residential Unit terraces. a.20 amps, 120V circuits are provided to handle lighting and general purpose receptacles. b.20 amps, 120V circuits are provided in the kitchen area for 120V kitchen appliances. Each appliance outlet above counter will be GFCI type. c.20 amps, 120V circuits in the bedrooms area are provided with AFCI type circuit breakers in the apartment panels. d.2p-35 amps, 208V, 1 phase service are provided to Condenser units for apt.# 1A, 1D, 1E, 1G, 2A, 2B, 2C, 2D, 2E, 2F, 2G, 2H, 2J, 3A, 3B, 3C, 3D, 3E, 3F, 3G, 3H, 3J, 4A, 4D, 4C; 2p-25 amps, 208V, 1 phase service are provided to Condenser units for apt.# 1B, 1C, 1F, 4B. e.20 amps, 120V single phase circuit for dishwashing machine are provided. f.2p-30 amps, 208V, 1 phase circuits are provided for electric washer/dryer units. g.20 amps, 120V single phase circuit for gas range provided in each apartment. h.20 amps, 120V single phase circuit for microwave for each apartment are provided. i.20 amps, 120V single phase circuit for toilet electric heater for apartments: #1E, 1F, 1G, 2E, 2G, 2H, 3C, 3E, 3G, 4A, 4D are provided. j. 20 amps, 120V single phase circuit for Electrical baseboard heaters for apartments #1A, 1B, 1F ARE provided. k. Public area lighting (at entrances, halls, stairs, corridors, and basement) complies with Housing Maintenance Code and Multiple Dwelling Laws.
(v)	Emergency Generator	none

20.7 (p) **Intercom & Door Signal Systems, Security Closed Circuit TV**

Mode of Operation	1.Telephone services will enter the building from Calyer Street and be fed to a telephone room located in basement level. It will then be distributed throughout the Building through risers and sleeves. Each Residential Unit will receive telephone service to a closet within the Unit. 2.Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's Expense. 3.High speed internet service will be available for all Residential Units provided by Spectrum, Optimum TV and or Verizon FIOS. It is the responsibility of the unit owner to obtain such service from an internet service provider servicing the Condominium, and the cost of such service shall be paid by the respective unit owner. 4.Intercom will be provided by Urmet or approved equal.
Television Reception Facilities	The Building will not be equipped with a Master Television Antenna System. Cable Television services will be available for all Residential Units provided by Spectrum, Optimum TV and or Verizon FIOS (or alternate cable TV company). All charges for cable television service (including installation and subscription charges) will be paid by each Unit Owner who subscribes directly to the cable TV company. In each Residential Unit, a Cable TV outlet will be provided as indicated on the plans.
Intercom and Door Signal Systems:	An Intercom System, equal to "IKALL" system by Comelit will be provided. A virtual doorman service, equal to the One-App Resident Experience by Carson, will be provided. The system will provide access control, visitor management, and delivery management. The cost of this service will be a Residential Common Expense.
Security/CCTV Systems:	A surveillance system will be provided by the security vendor. IP digital video cameras will be installed at exterior entrances and public spaces. Cameras will be monitored and maintained by Property Management.

20.7 (q) **Public Area Lighting**

Entrances	Reecssed exterior LED lighitng at entry canopies.
Stairs	Surface mounted LED lighting provided at stairwells
Corridors	Recessed LED downlighting and exit lighting provided at corridors.
Basements	Surface mounted LED lighting at back of house areas and recessed LED downlighting in all other locations.
Courts and Yards	Surface mounted LED lighting in inner court

20.7 (r)	**Garages & Parking Areas**	None
20.7 (s)	**Swimming Pools**	None
20.7 (t)	**Tennis Courts/Playgrounds and Recreation Facilities**	
(1)	Tennis Courts	None
(2)	Playgrounds	None
(3)	Other Recreation Facilities	A 624 sf (Approx. 17'-2" x 36'-11") indoor gym will be provided on the second floor. A skylight with operable vents will be provided. A 363 sf (Approx. 15'-0" x 24'-5") indoor lounge with a pantry and TV and cable connection will be provided on the basement floor. A thermally broken window and door assembly, manufactured by Pinum Doors and Windows, will provde access to the adjacent outdoor terrace. Furniture will be provided. A 556 sf (Approx. 16'-11" x 31'-2") outdoor terrace with a gas barbeque and outdoor sink will be provided within the inner court and adjacent to the basement level indoor lounge. Outdoor furniture will be provided.
20.7 (u)	**Permits and Certificates**	Full list of permits available on public record Periodic inspections required after the building is in operation include but are not limited to the following: Elevator, Sprinkler and Fire Alarm systems, Backflow preventer. No boilers or cooling towers will be provided. Periodic façade inspections are not required for buildings less than 6 stories in height.
20.7 (v)	**Violations**	NYC DOB 031218E9027/623468 NYC DOB 031819E9027/637408 The above open violations relate to an elevator that will be removed as part of this application. All violations shall be removed prior to issuance of a permanent Certificate of Occupancy. NYC DOB 031819E9027/637409 The above open violation is related to a wheelchair lift installed at the existing retail portion of the building. All violations shall be removed prior to issuance of a permanent Certificate of Occupancy.

20.7 (w) Unit Information

There are 29 new residential units on floors basement through 4.

1A 2 Bedroom, 3 Bath
1B 3 Bedroom, 3 Bath
1C 2 Bedroom, 2.5 Bath
1D 2 Bedroom, 2 Bath
1E 1 Bedroom, 1 Bath
1F 3 Bedroom, 3 Bath
1G 2 Bedroom, 2 Bath
2A, 3A 3 Bedroom, 2 Bath
2B, 3B 1 Bedroom, 1 Bath
2C, 3C 2 Bedroom, 2 Bath
2F, 3F 2 Bedroom, 2 Bath
2G, 3G 2 Bedroom, 1 Bath
2H, 3H 2 Bedroom, 2 Bath
2J, 3J 2 Bedroom, 2 Bath
2D 2 Bedroom, 2 Bath
2E 1 Bedroom, 2 Bath
3D 2 Bedroom, 2 Bath
3E 1 Bedroom, 2 Bath
4A 3 Bedroom, 2 Bath
4B 3 Bedroom, 2 Bath
4C 1 Bedroom, 1 Bath
4D 2 Bedroom, 2 Bath

Square Footage Caluclation: Unit square footage is measured from the exterior face of the exterior walls, to the property line at the party wall, to the centerline of demising walls between Units and to the outside face of partitions between Units and Common Elements such as public corridors.

Exterior square footage at private terraces is measured from the exterior face of the exterior wall to the exterior face of parapets defining each terrace and to the centerline of dividers or screens between each terrace.

(1) Apartment Finishes

See Appendix for full specifications.

Walls

All walls will be constructed of metal studs with type FRX sheetrock. Walls will be fire rated where indicated on plans. Walls throughout bedrooms and living areas will receive one coat primer and two coats interior latex flat paint. Walls at bathrooms and backsplashes at kitchens will recieve porcelain tile or quartz stone surfaces as indicated in attached finish and fixutre appendix.

	Floors	Wood flooring throughout the apartment will be a pre-engineered wood floor assembly with a 2 mm wear layer and a High Performance Commercial Grade UV Cured finish. Manufacturered by Terra Legno Engineered Wood Flooring. Warranty: 35 year residential/Lifetime Structural
		Bathroom floors will be porcelain tile. See attached appendix.
		Common are corridors to receive broadloom carpet as specified in attached finishes appexndix. Carpet shall carry a ten year limited commercial warranty.
	Ceilings	All ceilings shall receive one coat primer and two coats interior latex satin paint.
(2)	Bathroom Fixtures	See Appendix for full specifications.
(3)	Kitchen and Laundry Equipment	See Appendix for full specifications.

20.7 (x) Finish Schedule of spaces other than units

See appendix for full specifications.

20.7 (y) Safety and Warning Devices

Smoke detectors have been provided at each mechanical room, elevator machine room, elevator lobby, top of stair, top of elevator shaft. Sprinkler tamper switch and sprinkler water flow switch have been provided at each stair floor landing.

Fire Alarm System:

Smoke detection and sprinkler fire alarm system is provided as required in accordance with NYC code including water flow and tamper switches as required for the sprinkler-fire alarm system, with smoke detection for utility rooms and elevator recall. Fire Alarm control panel is located in the building lobby on the first floor.

Each unit contains combined smoke/carbon monoxide detectors located in the vicinity of the bedrooms. Manufacturer: 1st Alert, Model # SCO1BN. The detector is wired to a 120 volt local power supply and is self-contained with its own sounding device with battery backup. The Sponsor reserves the rights to provide combined smoke/carbon monoxide detectors by different manufacturers, which are equal to, or better than those listed.

FDNY Variances:

None

20.7 (z)	**Additional Information Required:**	
(1)	Site Plan	See Attached Plans
(2)	Area Map	See Attached Plans
(3)	Unit Floor Plans	See Attached Plans
(4)	Floor to Ceiling heights of each unit	See Attached Plans
(5)	Area of each unit:	See Attached Plans
(6)	Master Floor Plan	See Attached Plans
(aa)	**Building Conditions**	Portions of the building frame and envelope components (including but not limited to: brick, masonry, and respective anchoring systems) are existing from 1906-1953 and their condition is commensurate with their age. No building components with known deficiencies are to remain at the conclusion of the conversion.
(ab)	**Further Development**	No Further Development Planned
(ac)	**Asbestos**	
(1)	Qualifications	New York State Department of Labor Certified Asbestos Inspectors (Creative Environmental Solutions Corp.) performed asbestos inspections on the property.
(2)	Inventory	Asbestos containing materials were found on the interior and exterior of the existing building in areas such as pipe insulation, floor tile mastic, roofing and waterproofing membranes, window caulk, and flashing.
(3)	Recommendations	All Asbestos containing materials in areas that were disturbed by construction have been removed by qualified contractors. Some asbestos containing materials in areas that will remain undisturbed by construction will remain in place. A summary of ACM to remain is listed below: Approximately 2,280 sf of ACM to remain is limited to waterproofing membranes (tar) at columns and spandrel beams to remain at the south lot line. All ACM to remain is non-friable and will be encased in sheetrock Units where encased ACM occurs: Unit 1D, 1E, 2F, 2G, 2J, 3F, 3G, 3J Encased ACM will also occur above the ceiling of the main residential lobby.

Approximately 6,180 sf of ACM has been identified in existing roofing membranes at the East upper roof areas of the 1925 and 1906 portions of the building.

Approximately 5,800 sf of ACM has been identified in the base flashing at the East upper roof area above the 1925 and 1906 portions of the building.

ACM at the East upper roof areas will remain in place and will be undisturbed by the proposed residential construction. The roof areas where ACM is present will not be accessible to any residential unit.

(4) Implementation

Asbestos abatement will occur prior to construction while the residential portion of the building is vacant.

(5) Protocol

The 'Sponsor has obtained an Operations and Maintenance Plan prepared by Charles J. Cortelano, NYSDOL Project Designer LIcense #05-09485 for the future handling and maintenance of the remaining asbestos, a copy of which has been reproduced immediately following the Floor Plans. The Plan will be made available to the unit owner.

(ad) Lead-based Paint

All finishes have been removed from the existing building prior to construction. All residential interiors will be newly constructed and all painted finishes will be new with no lead based paints used. There is no record or indication of the presence of lead based paint.

Documents to be Provided to Condominium Board:

i Final Approved Construction Drawings
ii Operation and Maintenance manuals
iii Electronic System manuals, as applicable
iv Equipment Warranties
v Manufacturer's roof warranty
vi Major Equipment start-up sheets

FINISHES AND FIXTURES LEGEND

	Manufacturer	Model #	Finish
ENTRY, BEDROOMS, LIVING ROOM			
Engineered Hard Wood Flooring	TERRA LEGNO	1/2" Designer Collection, European White Oak, ½" (12mm) T x 5" W x RL, Plank Pattern, Eased Micro Bevel 4 sides	Ultra Matt Neotech UV Lacquer & aluminum oxide with open grain textured wire brush
Wall Paint	BENJAMIN MOORE	OC-17 WHITE DOVE	SEMI-GLOSS FINISH
Ceiling Paint	BENJAMIN MOORE	OC-17 WHITE DOVE	Flat Finish
KITCHEN			
Engineered Hard Wood Flooring	TERRA LEGNO	1/2" Designer Collection, European White Oak, ½" (12mm) T x 5" W x RL, Plank Pattern, Eased Micro Bevel 4 sides	Ultra Matt Neotech UV Lacquer & aluminum oxide with open grain textured wire brush
Wall Paint	BENJAMIN MOORE	OC-17, White Dove	SEMI-GLOSS FINISH
Ceiling Paint	BENJAMIN MOORE	OC-17, White Dove	Flat Finish
KITCHEN ISLAND - COUNTERTOP & SIDE FACES	AKDO	ATLANTIC GREY (H) 1 1/4" GRANITE	Honed Finish, SIZE: SLAB, CUT TO DIMS. INDICATED ON DRAWINGS
KITCHEN ISLAND FRONT FACE	ARREDO3 CUCINE	MODEL: KALI, WOOD VENEER: EUCALIPTO BIANCO KALI 460	
KITCHEN COUNTER & BACKSPLASH	Cambria	CARRICK, MARBLE COLLECTION	HIGH GLOSS, SLABS
KITCHEN CABINETS AND MILLWORK	ARREDO3 CUCINE	MODEL: KALI, WOOD VENEER: EUCALIPTO BIANCO KALI 460 WITH 1600TT HANDLES	**KITCHEN CABINET HARDWARE: VERTICAL PULLS**TO BE ASSA ABLOY "ROCKWOOD RM7212" IN BLACK SUEDE POWDER COAT FINISH, 24" LENGTH, TOP MOUNTED AT 61 13/16". **HORIZONTAL PULL** TO BE ASSA ABLOY "ROCKWOOD RM7212" IN BLACK SUEDE POWDER COAT FINISH, 30" LENGTH
SLIDE IN GAS RANGE - 30"	BOSCH - 800 SERIES	HG18054UC, 26-3/16"H X 28-1/2"W X 21-11/16"D	Stainless Steel
24" Panel Ready Dishwasher	BOSCH - 100 SERIES	SHVM4AYB3N, 33 7/8" x 23 9/16" x 21 5/8"	PANELIZED DOOR, WV-1
24" Drawer Microwave	BOSCH - 800 SERIES	HMD845IUC, 16-5/16"H X 23-7/8"W X 23-3/8"D	Stainless Steel

36" Refrigerator	BOSCH - BENCHMARK SERIES	B36IT900NP, 84" X 35-3/4" X 24", BUILT-IN CUSTOM PANEL FRENCH DOOR,	PANELIZED DOORS/DRAWER, WV-1
30" Pull-Out Hood	BOSCH - 500 SERIES	HUI50351UC, 500 Series – Stainless Steel	500 Series – Stainless Steel
Faucet	HANSGROHE	39835340, Axor Citterio 2-Spray Semi-Pro Kitchen Faucet, 1.75 GPM	AXOR FINISHPLUS: BRUSHED BLACK CHROME
Kitchen Sink Undermount Basin	ELKAY CROSSTOWN 16 GAUGE STAINLESS STEEL	23-1/2" x 18-1/4" x 10" Single Bowl Undermount Sink Kit Model(s) EFU211510TC	16 Gauge Stainless Steel, Polished Satin, 304 Stainless Steel
Pendant Light Fixture	PABLO	Cielo (Black/Black): CIEL HB BLK/BLK/BLK, 11'' X 7.5'' X 7.5'	LED FLAT-PANEL

STACKED WASHER AND DRYER

24" Compact Washer	BOSCH - 300 SERIES	300 Series – WAT28400UC, 33 1/4" x 23 1/2" x 24 1/4"	WHITE FINISH, PROVIDE NECESSARY HARDWARE COMPONENTS FOR STACKING
24" Compact Condensation Dryer	BOSCH - 300 SERIES	300 Series – WTG86400UC, 33 1/4" x 23 1/2" x 25"	WHITE FINISH, PROVIDE NECESSARY HARDWARE COMPONENTS FOR STACKING

MASTER BATH WITH SHOWER

MASTER BATH FLOORS	OLYMPIA TILE AND STONE	MARMI EVOLUZIONE, 12" X 24", COLOR TAFU: LIGHT GREY	
MASTER BATH VANITY WALL	NEMO TILE	ABSTRACT CERAMIC COLLECTION, 2" X 9" CHEVRON, WHITE	MATTE
MASTER BATH WALLS	CROSSVILLE	RETRO ACTIVE 2.0; RET05 SNOW BLIND, 12" X 24"	MATTE (UNPOLISHED)
MASTER BATH SHOWER STALL	OLYMPIA TILE AND STONE	MARMI EVOLUZIONE, 2" X 2" MOSAIC, COLOR TAFU: LIGHT GREY	MATTE
Ceiling Paint	BENJAMIN MOORE	OC-17, White Dove	Flat Finish
WALL-MOUNTED FAUCET (ADA)	WATERWORKS	DECIBEL DBLS70-SP	BLACK MATTE #614
WASHBASIN	KRAUS	KCV-202, 15-5/8" X 15-5/8" X 5-1/8" WITH PU-20 POP UP DRAIN	White, NO FAUCET HOLES
SHOWER ARM AND FLANGE	WATERWORKS	DECIBEL-DBSH01-SP	BLACK MATTE #614
6" RAIN SHOWER HEAD	WATERWORKS	UNSH29-SP	BLACK MATTE #614

Pressure Balance Control Valve Trim with Metal Knob Handle	WATERWORKS	DECIBEL DBPB10-SP	BLACK MATTE #614
TWO WAY DIVERTER VALVE	WATERWORKS	DECIBEL DB2P10-SP	BLACK MATTE #614
Handshower on Hook	WATERWORKS	DECIBEL DBHS01-SP	BLACK MATTE #614
FLOOR MOUNTED TOILET (TWO PIECE)	TOTO	AQUIA IV 1G, CST446CUMG, CLOSED COUPLED TOILET, 1.0 & 0.8 GPF WITH ELONGATED SOFT CLOSE SEAT SS124 AND ST446UM TANK	Color: Cotton
MEDICINE CABINET - LEFT HINGE	ROBERN	PC1640D6TLE83, 15-1/4" w X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
MEDICINE CABINET - RIGHT HINGE	ROBERN	PC1640D6TRE83, 15-1/4" w X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
TOILET ROLL HOLDER (WALL MT)	WATERWORKS	DECIBEL DBPH01-SP	BLACK MATTE #614
TOWEL BAR - 24"	WATERWORKS	DECIBEL DBTB24-SP	BLACK MATTE #614
VANITY	ARREDO3 CUCINE	50-3/4" WIDE X 20-3/8" HEIGHT X 22" DEEP	FINISH TO BE VINTAGE NATURALE, LEGNO TELAIO - 440
WALL SCONCE	LIGHTOLOGY	VEGA WALL LIGHT, DIMENSION: 4.75"W x 23"H x 1.75"D, Product Number: KZC658013	COLOR: BLACK, SHADE COLOR: FROSTED
FIXED GLASS PANEL			CONTRACTOR PROVIDED

MASTER BATH WITH BATH TUB

MASTER BATH FLOORS	OLYMPIA TILE AND STONE	MARMI EVOLUZIONE, 12" X 24", COLOR TAFU: LIGHT GREY	MATTE
MASTER BATH VANITY WALL	NEMO TILE	ABSTRACT CERAMIC COLLECTION, 2" X 9" CHEVRON, WHITE	MATTE
MASTER BATH WALLS	CROSSVILLE	RETRO ACTIVE 2.0; RET05 SNOW BLIND, 12" X 24"	MATTE (UNPOLISHED)
Ceiling Paint	BENJAMIN MOORE	OC-17, White Dove	Flat Finish
WALL-MOUNTED FAUCET (ADA)	WATERWORKS	DECIBEL DBLS70-SP	BLACK MATTE #614
WASHBASIN	KRAUS	KCV-202, 15-5/8" X 15-5/8" X 5-1/8" WITH PU-20 POP UP DRAIN	White, NO FAUCET HOLES
SHOWER ARM AND FLANGE	WATERWORKS	DECIBEL-DBSH01-SP	BLACK MATTE #614

6" RAIN SHOWER HEAD	WATERWORKS	UNSH29-SP	BLACK MATTE #614
Pressure Balance Control Valve Trim with Metal Knob Handle	WATERWORKS	DECIBEL DBPB10-SP	BLACK MATTE #614
THREE WAY DIVERTER VALVE	WATERWORKS	DECIBEL DB3P10-SP	BLACK MATTE #614
Handshower on Hook	WATERWORKS	DECIBEL DBHS01-SP	BLACK MATTE #614
Bath Tub Spout	WATERWORKS	FLYTE FLTS80-SP	BLACK MATTE #614
BathTub	KOHLER	Archer® 5' Bath K-1946, INSTALLATION: DROP IN, L: 60" (1524 mm) x W: 30" (762 mm) x H: 19" (483 mm)	ACRYLIC WHITE
FLOOR MOUNTED TOILET (TWO PIECE)	TOTO	AQUIA IV 1G, CST446CUMG, CLOSED COUPLED TOILET, 1.0 & 0.8 GPF WITH ELONGATED SOFT CLOSE SEAT SS124 AND ST446UM TANK	Color: Cotton
MEDICINE CABINET - LEFT HINGE	ROBERN	PC1640D6TLE83, 15-1/4" w X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
MEDICINE CABINET - RIGHT HINGE	ROBERN	PC1640D6TRE83, 15-1/4" w X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
TOILET ROLL HOLDER (WALL MT)	WATERWORKS	DECIBEL DBPH01-SP	BLACK MATTE #614
TOWEL BAR - 24"	WATERWORKS	DECIBEL DBTB24-SP	BLACK MATTE #614
VANITY	ARREDO3 CUCINE	50-3/4" WIDE X 20-3/8" HEIGHT X 22" DEEP	FINISH TO BE VINTAGE NATURALE, LEGNO TELAIO - 440
WALL SCONCE	LIGHTOLOGY	VEGA WALL LIGHT, DIMENSION: 4.75"W x 23"H x 1.75"D, Product Number: KZC658013	COLOR: BLACK, SHADE COLOR: FROSTED
FIXED GLASS PANEL			CONTRACTOR PROVIDED

SECOND BATH

SECOND BATH FLOOR	ROYAL MOSA	COLOR: 226V; 12" X 24", TYPE: SMOOTH (V); SERIES: TERRA GREYS	MATTE
SECOND BATH WALLS	MARMI CLASSICO	MARMI CLASSICO, CARRARA LINEA; 12" X 24" (INSTALLED VERTICALLY)	CARRARA LINEA; 12" X 24" (INSTALLED VERTICALLY)
Ceiling Paint	BENJAMIN MOORE	OC-17, White Dove	Flat Finish
WALL-MOUNTED FAUCET (ADA)	WATERWORKS	DECIBEL DBLS70-SP	BLACK MATTE #614

UNDERMOUNT SINK	KRAUS	ELAVO KCU-241, 20-7/8"W X 14-3/8"H X 8-1/8" D	White, NO FAUCET HOLES
SHOWER ARM AND FLANGE	WATERWORKS	DECIBEL-DBSH01-SP	BLACK MATTE #614
6" RAIN SHOWER HEAD	WATERWORKS	UNSH29-SP	BLACK MATTE #614
Pressure Balance Control Valve Trim with Metal Knob Handle	WATERWORKS	DECIBEL DBPB10-SP	BLACK MATTE #614
THREE WAY DIVERTER VALVE	WATERWORKS	DECIBEL DB3P10-SP	BLACK MATTE #614
Handshower on Hook	WATERWORKS	DECIBEL DBHS01-SP	BLACK MATTE #614
Bath Tub Spout	WATERWORKS	FLYTE FLTS80-SP	BLACK MATTE #614
BathTub	KOHLER	Archer® 5' Bath K-1946, INSTALLATION: DROP IN, L: 60" (1524 mm) x W: 30" (762 mm) x H: 19" (483 mm)	ACRYLIC WHITE
Brass Slotted Overflow Bath Drain	KOHLER	CLEARFLO, K-7271	MATTE BLACK
FLOOR MOUNTED TOILET (TWO PIECE)	TOTO	AQUIA IV 1G, CST446CUMG, CLOSED COUPLED TOILET, 1.0 & 0.8 GPF WITH ELONGATED SOFT CLOSE SEAT SS124 AND ST446UM TANK	Color: Cotton
MEDICINE CABINET	ROBERN	PC2040D6TLE83, 19-1/4" W X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
TOILET ROLL HOLDER (WALL MT)	WATERWORKS	DECIBEL DBPH01-SP	BLACK MATTE #614
TOWEL BAR - 24"	WATERWORKS	DECIBEL DBTB24-SP	BLACK MATTE #614
VANITY	ARREDO3 CUCINE	26-31/32" WIDE, X 23-5/8" HIGH X 18-1/8" DEEP	FINISH TO BE VINTAGE NATURALE, LEGNO TELAIO - 440
WALL SCONCE	LIGHTOLOGY	VEGA WALL LIGHT, DIMENSION: 4.75"W x 23"H x 1.75"D, Product Number: KZC658013	COLOR: BLACK, SHADE COLOR: FROSTED
FIXED GLASS PANEL AT TUB			CONTRACTOR PROVIDED

POWDER ROOM			
POWDER ROOM FLOOR	ROYAL MOSA	COLOR: 226V; 12" X 24", TYPE: SMOOTH (V); SERIES: TERRA GREYS	MATTE
POWDER ROOM WALLS	MARMI CLASSICO	MARMI CLASSICO, CARRARA LINEA; 12" X 24" (INSTALLED VERTICALLY)	CARRARA LINEA; 12" X 24" (INSTALLED VERTICALLY)

FLOOR MOUNTED TOILET (TWO PIECE)	TOTO	AQUIA IV 1G, CST446CUMG, CLOSED COUPLED TOILET, 1.0 & 0.8 GPF WITH ELONGATED SOFT CLOSE SEAT SS124 AND ST446UM TANK	Color: Cotton
WALL-MOUNTED FAUCET (ADA)	WATERWORKS	DECIBEL DBLS70-SP	BLACK MATTE #614
UNDERMOUNT SINK	KRAUS	ELAVO KCU-241, 20-7/8"W X 14-3/8"H X 8-1/8" D	White, NO FAUCET HOLES
MEDICINE CABINET	ROBERN	PC2040D6TLE83, 19-1/4" W X 39-3/8" H X 6"D	ELECTRICAL, MATTE BLACK FRAME
TOILET ROLL HOLDER (WALL MT)	WATERWORKS	DECIBEL DBPH01	BLACK MATTE #614
VANITY	ARREDO3 CUCINE	26-31/32" WIDE, X 23-5/8" HIGH X 18-1/8" DEEP	FINISH TO BE VINTAGE NATURALE, LEGNO TELAIO - 440
WALL SCONCE	LIGHTOLOGY	VEGA WALL LIGHT, DIMENSION: 4.75"W x 23"H x 1.75"D, Product Number: KZC658013	COLOR: BLACK, SHADE COLOR: FROSTED
LOBBY			
LOBBY WALL	STONE SOURCE	Pietre41; 8" x 32" Chevron Scrambled Greige	FINISH: NATURAL, SIZ: 8" X 32"
LOBBY WALL	STONE SOURCE	Pietre41; 24" x 24" Scramble Greige Natural	FINISH: HONED, SIZE: 24"x24"
UPPER LOBBY BORDER, LOWER LOBBY FLOOR, ELEVATOR CAB FLOOR	NEW JERSEY OLYMPIA TILE AND STONE	Shadestone Series; Tile 12" x 24" Grey	FINISH: HONED, SIZE: 12"x24"
UPPER LOBBY FLOOR	NEW JERSEY OLYMPIA TILE AND STONE	Shadestone Series; Chevron 4" x 20" Grey	FINISH: HONED; SIZE: 4" x 20" Chevron
LOBBY STAIR RAIL, ELEVATOR SURROUND/JAMBS & DOORS TYP.		Matte Black Metal	
SCISSOR STAIR LANDINGS	NASCO STONE & TILE	MID GREY MATTE, SERPICO COLLECTION; SIZE: 12"x12"	MID GREY MATTE, SERPICO COLLECTION; SIZE: 12"x12"
LOBBY VESTIBULE LIGHT FIXTURE	NEMO LIGHTING	ELISSE TRIPLE, ELP LNW 57 BLACK, DIMENSIONS: 53.2" X 27.6" X 8", 90 WATT	BLACK
LOBBY – ELEVATOR LOBBY LIGHT FIXTURE	NEMO LIGHTING	ELISSE MAJOR, DOWNLIGHT LED, ELPLNW 54 BLACK, DIMENSIONS: 53.1" X 27.6" X 8", 78 WATT	BLACK
CORRIDORS			
CARPET	SHAW CONTRACT	Style: Taper 5B111; Color: Steel 11580	BROADLOOM

WALL COVERING	CARNEGIE	FRACTAL EMBOSS 6261 W706	
Painted Doors and Frames and Painted 8" Wood Base	BENJAMIN MOORE	Raccoon Fur 2126-20	FINISH: SEMI GLOSS
Wall Sconce	DWELED	BLOK HORIZONTAL WALL SCONCE #WS-25612-BK-EM	Color: Black, W: 12 in , H: 7 in , D: 3.75 in
REFUSE ROOM 010,101,201,301 WALLS; UNISEX TOILET ROOM 016			
WALL TILE	FLORIDA TILE	STREAMLINE; SIZE: 3"x6"; COLOR: 411 DORIAN (MATTE)	STREAMLINE; SIZE: 3"x6"; COLOR: 411 DORIAN (MATTE)
WALL BASE	FLORIDA TILE	STREAMLINE; SIZE: 4"x16" BULLNOSE; COLOR: 312 GUNMETAL	STREAMLINE; SIZE: 4"x16" BULLNOSE; COLOR: 312 GUNMETAL
UNISEX TOILET ROOM 016 FLOOR	NASCO STONE & TILE	MID GREY MATTE, SERPICO COLLECTION; SIZE: 12"x12"	MID GREY MATTE, SERPICO COLLECTION; SIZE: 12"x12"
GRAB BARS	DELTA BATH ACCESSORIES	41818BL, 41842BL, 41836BL	BLACK

FINISHES AND FIXTURES

RESIDENTIAL UNITS: SEE LEGEND FOR DETAILED SPECIFICATIONS

UNIT 1A

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH SHOWER
- SECOND BATH - UPPER LEVEL
- SECOND BATH - LOWER LEVEL

UNIT 1B

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH SHOWER
- SECOND BATH - UPPER LEVEL
- SECOND BATH - LOWER LEVEL

UNIT 1C

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH SHOWER
- SECOND BATH
- POWDER ROOM

UNIT 1D

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH SHOWER
- SECOND BATH

UNIT 1E

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH BATH TUB

UNIT 1F

- ENTRY, BEDROOMS, LIVING ROOM
- KITCHEN
- STACKED WASHER AND DRYER
- MASTER BATH WITH SHOWER
- SECOND BATH - UPPER LEVEL
- SECOND BATH - LOWER LEVEL

UNIT 1G

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2A

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2B

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH BATH TUB**

UNIT 2C

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2D

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2E

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2F

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2G

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH BATH TUB**

UNIT 2H

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 2J

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3A

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3B

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**

MASTER BATH WITH BATH TUB

UNIT 3C

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3D

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3E

- **ENTRY, BEDROOMS, LIVING ROOM**

- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3F

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3G

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH BATH TUB**

UNIT 3H

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 3J

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 4A

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

UNIT 4B

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**

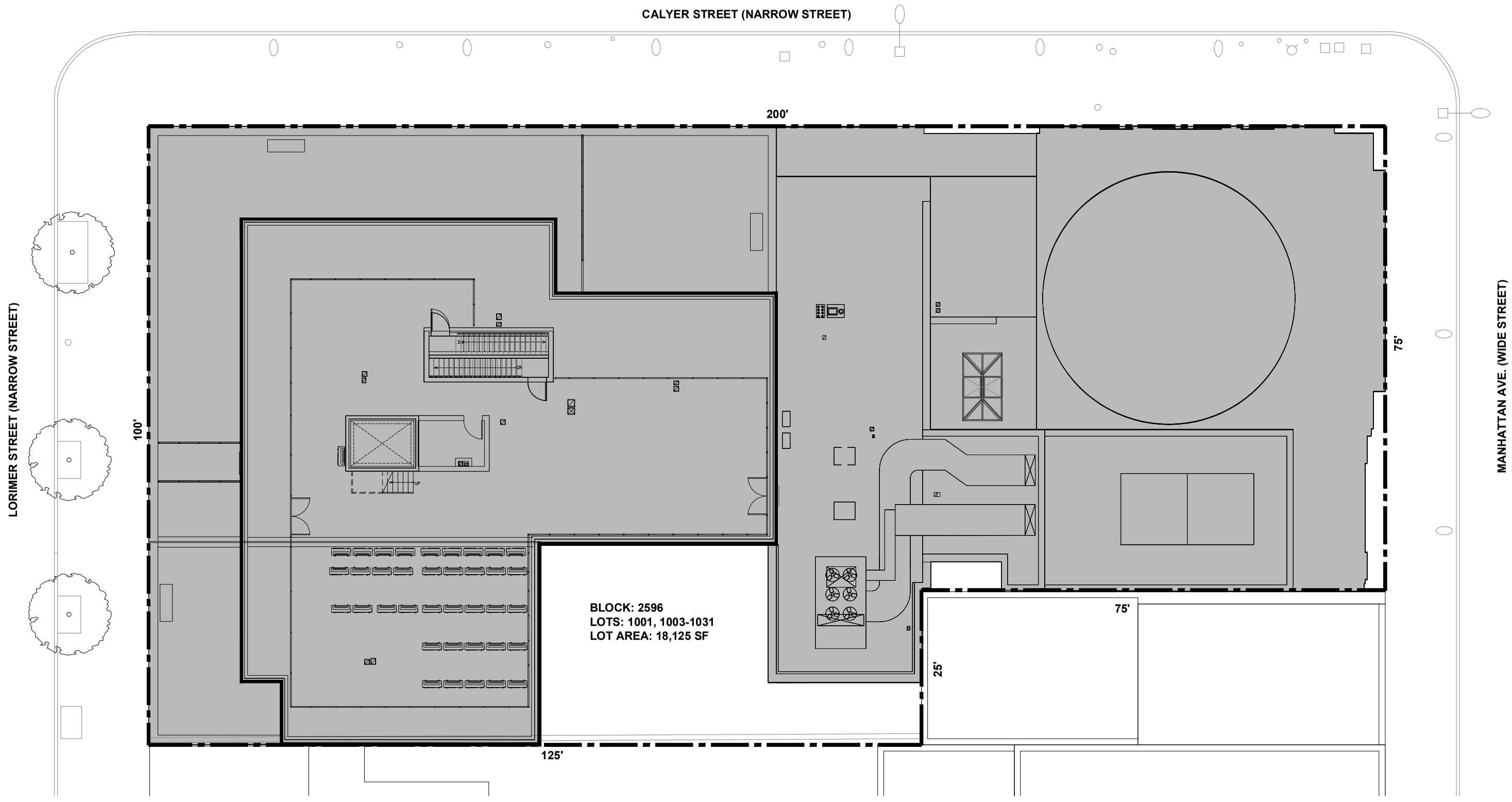
UNIT 4C

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**

- **STACKED WASHER AND DRYER**
- **SECOND BATH**

UNIT 4D

- **ENTRY, BEDROOMS, LIVING ROOM**
- **KITCHEN**
- **STACKED WASHER AND DRYER**
- **MASTER BATH WITH SHOWER**
- **SECOND BATH**



01 807 MANHATTAN AVE. – SITE PLAN

0 16' 32'

N

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(A.K.A. 1080 LORIMER STREET)
BROOKLYN, NY 11222

8/28/2019

SITE PLAN

282

01 807 MANHATTAN AVE. – CALYER STREET ELEVATION

0 16' 32'

P K
+
S B

PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

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(A.K.A. 1080 LORIMER STREET)
BROOKLYN, NY 11222

9/11/2019

ELEVATION

01 807 MANHATTAN AVE. – LORIMER STREET ELEVATION

0 16' 32'

PKSB ARCHITECTS, PC
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NEW YORK NY 10036
212 594 2010

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BROOKLYN, NY 11222

9/11/2019

ELEVATION

01 807 MANHATTAN AVE. – INNER COURT ELEVATIONS

0 16' 32'

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212 594 2010

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BROOKLYN, NY 11222

9/11/2019

ELEVATION

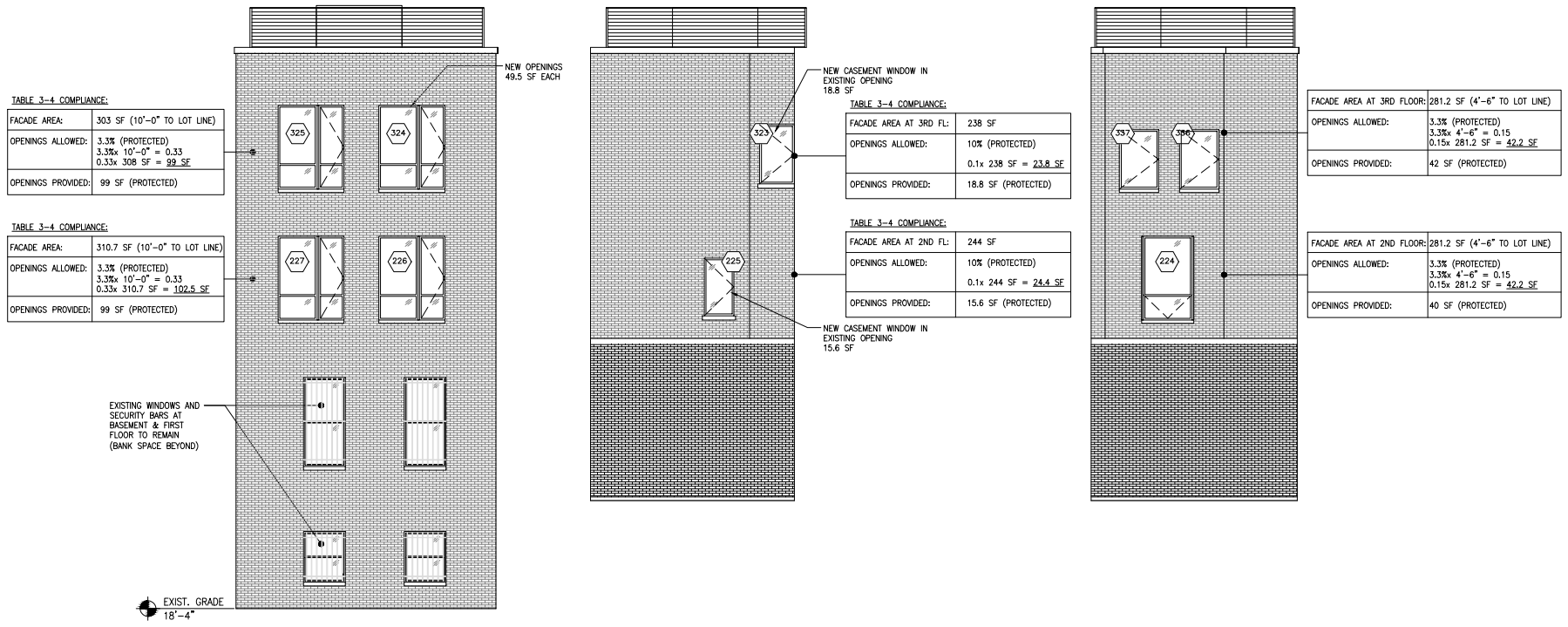

TABLE 3-4 COMPLIANCE:

FACADE AREA:	303 SF (10'-0" TO LOT LINE)
OPENINGS ALLOWED:	3.3% (PROTECTED) 3.3%x 10'-0" = 0.33 0.33x 308 SF = 99 SF
OPENINGS PROVIDED:	99 SF (PROTECTED)

TABLE 3-4 COMPLIANCE:

FACADE AREA:	310.7 SF (10'-0" TO LOT LINE)
OPENINGS ALLOWED:	3.3% (PROTECTED) 3.3%x 10'-0" = 0.33 0.33x 310.7 SF = 102.5 SF
OPENINGS PROVIDED:	99 SF (PROTECTED)

TABLE 3-4 COMPLIANCE:

FACADE AREA AT 3RD FL:	238 SF
OPENINGS ALLOWED:	10% (PROTECTED) 0.1x 238 SF = 23.8 SF
OPENINGS PROVIDED:	18.8 SF (PROTECTED)

TABLE 3-4 COMPLIANCE:

FACADE AREA AT 2ND FL:	244 SF
OPENINGS ALLOWED:	10% (PROTECTED) 0.1x 244 SF = 24.4 SF
OPENINGS PROVIDED:	15.6 SF (PROTECTED)

FACADE AREA AT 3RD FLOOR:	281.2 SF (4'-6" TO LOT LINE)
OPENINGS ALLOWED:	3.3% (PROTECTED) 3.3%x 4'-6" = 0.15 0.15x 281.2 SF = 42.2 SF
OPENINGS PROVIDED:	42 SF (PROTECTED)

FACADE AREA AT 2ND FLOOR:	281.2 SF (4'-6" TO LOT LINE)
OPENINGS ALLOWED:	3.3% (PROTECTED) 3.3%x 4'-6" = 0.15 0.15x 281.2 SF = 42.2 SF
OPENINGS PROVIDED:	40 SF (PROTECTED)

01 807 MANHATTAN AVE. – LOT LINE ELEVATIONS

0 16' 32'

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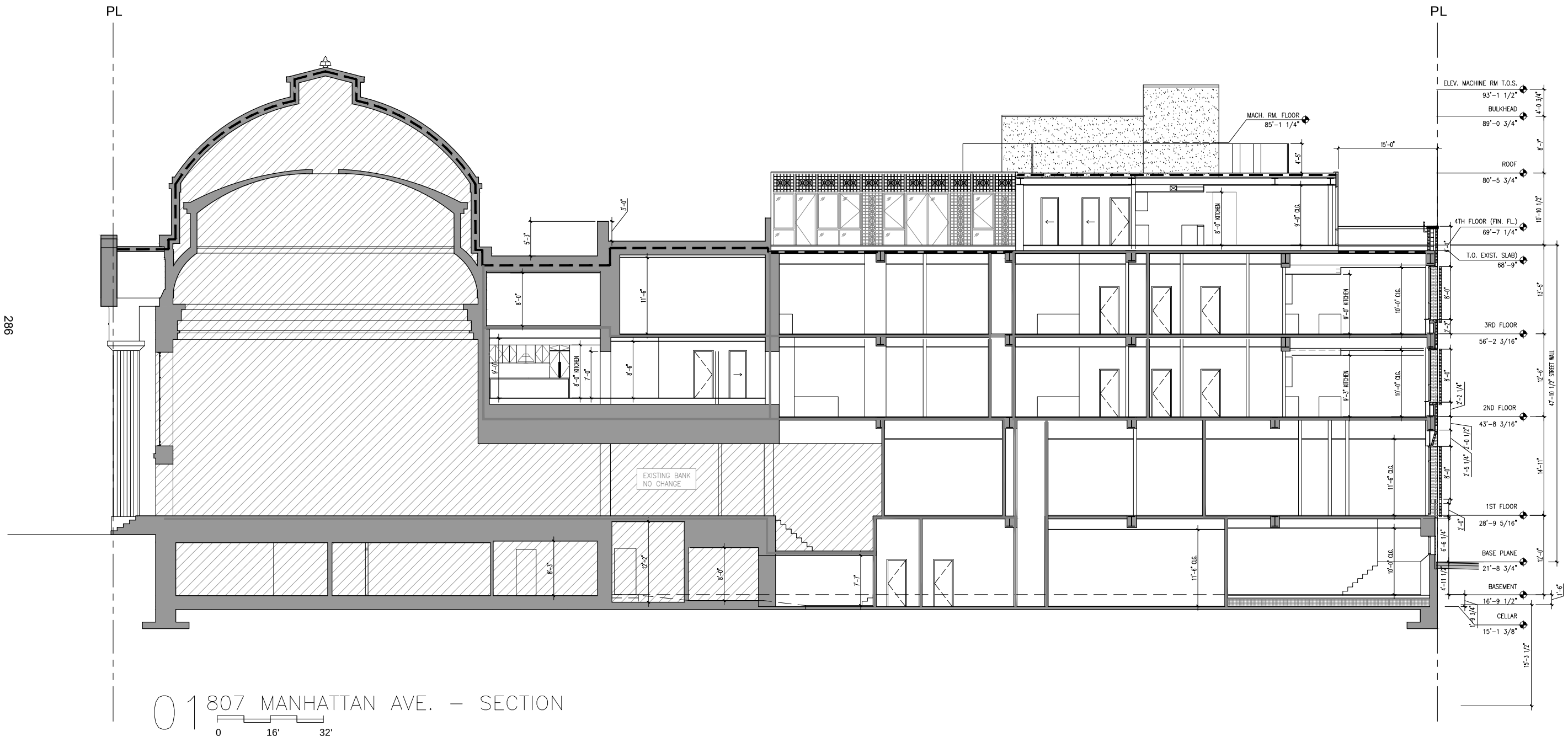
ELEVATION



01 807 MANHATTAN AVE. – SECTION

0 16' 32'

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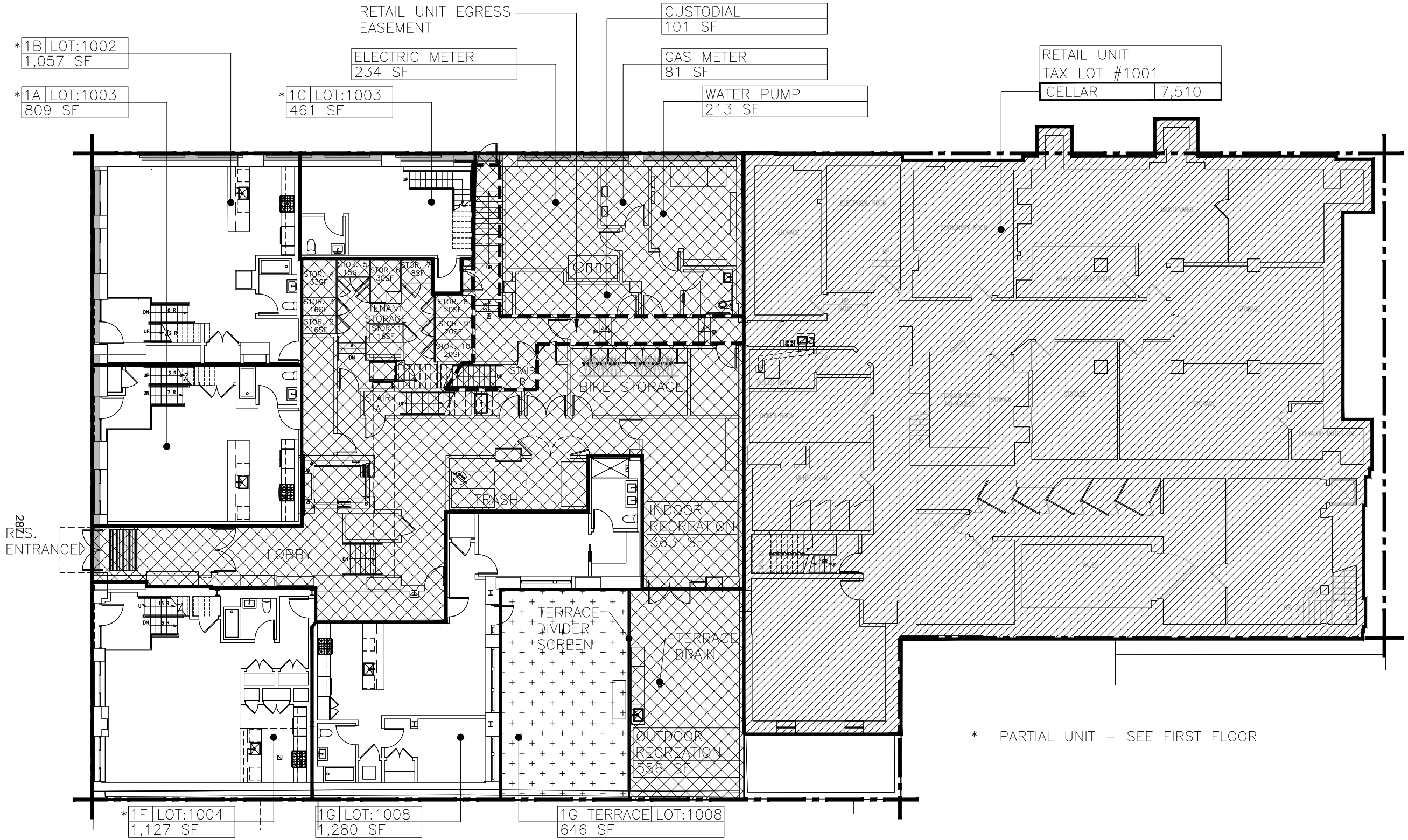
SECTION



	RETAIL UNIT
	RESIDENTIAL UNIT
	RESIDENTIAL COMMON ELEMENT
	RESIDENTIAL LIMITED COMMON ELEMENT

RETAIL UNIT TAX LOT #1001	
CELLAR	7,510
FIRST	7,829
SECOND	96
THIRD	1,111
ROOF	4,699
BULKHEAD	0
TOTAL	21,344

01 807 MANHATTAN AVE. – CELLAR/BASEMENT PLAN – NEW

0 8' 16'

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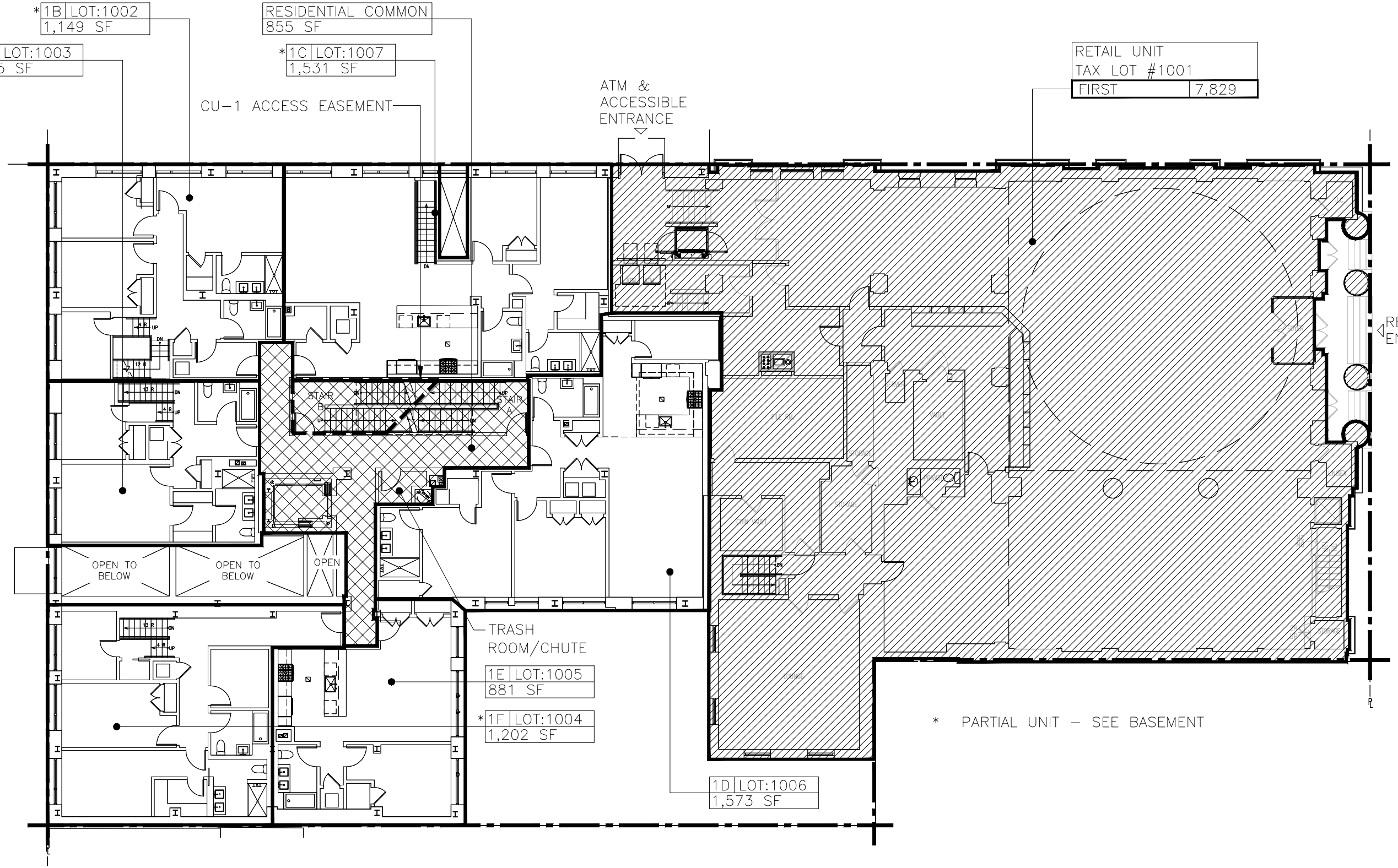
8/28/2019

CELLAR/
BASEMENT
PLAN



	RETAIL UNIT
	RESIDENTIAL UNIT
	RESIDENTIAL COMMON ELEMENT

RETAIL UNIT TAX LOT #1001	
CELLAR	7,510
FIRST	7,829
SECOND	96
THIRD	1,111
ROOF	4,699
BULKHEAD	0
TOTAL	21,344

01 807 MANHATTAN AVE. – FIRST FLOOR PLAN – NEW

0 8' 16'

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BROOKLYN, NY 11222
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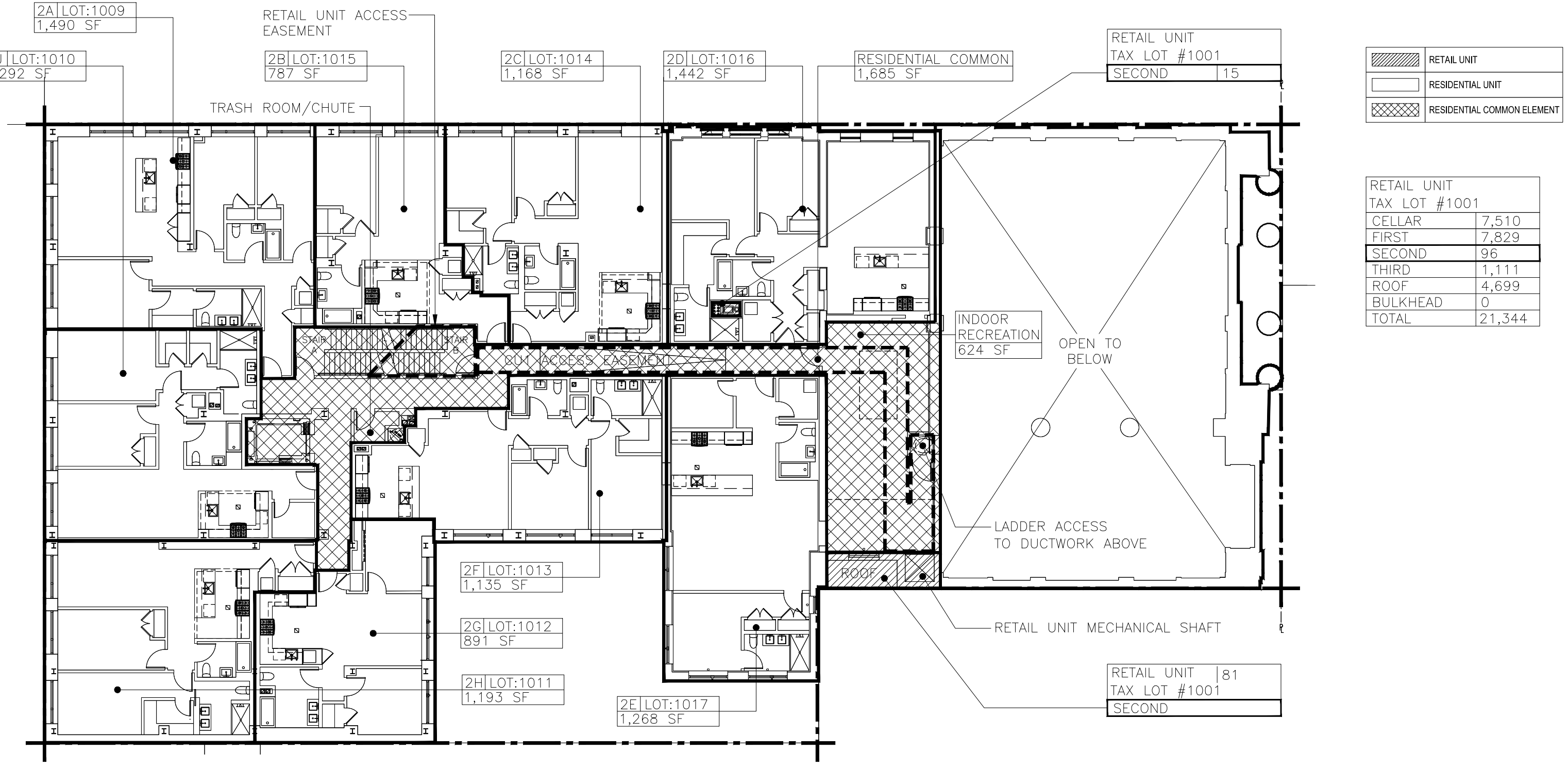
FIRST
FLOOR PLAN



	RETAIL UNIT
	RESIDENTIAL UNIT
	RESIDENTIAL COMMON ELEMENT

RETAIL UNIT TAX LOT #1001	
CELLAR	7,510
FIRST	7,829
SECOND	96
THIRD	1,111
ROOF	4,699
BULKHEAD	0
TOTAL	21,344

01 807 MANHATTAN AVE. – SECOND FLOOR PLAN – NEW

0 8' 16'

289

P+S K B
PKSB ARCHITECTS, PC
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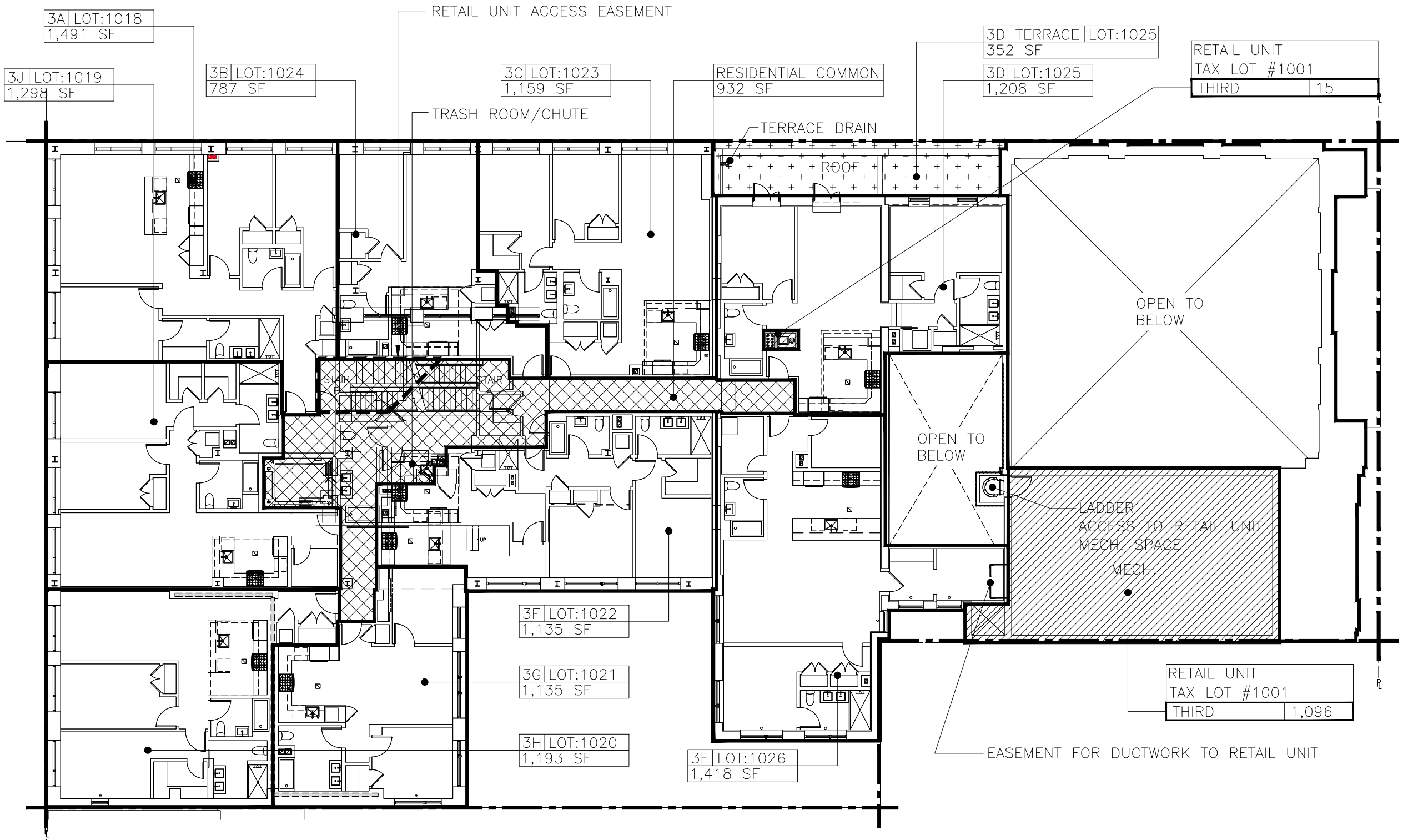
SECOND FLOOR PLAN



01 807 MANHATTAN AVE. – THIRD FLOOR PLAN – NEW

0 8' 16'

	RETAIL UNIT
	RESIDENTIAL UNIT
	RESIDENTIAL COMMON ELEMENT
	RESIDENTIAL LIMITED COMMON ELEMENT

RETAIL UNIT TAX LOT #1001	
CELLAR	7,510
FIRST	7,829
SECOND	96
THIRD	1,111
ROOF	4,699
BULKHEAD	0
TOTAL	21,344

P K
S + B
PKSB ARCHITECTS, PC
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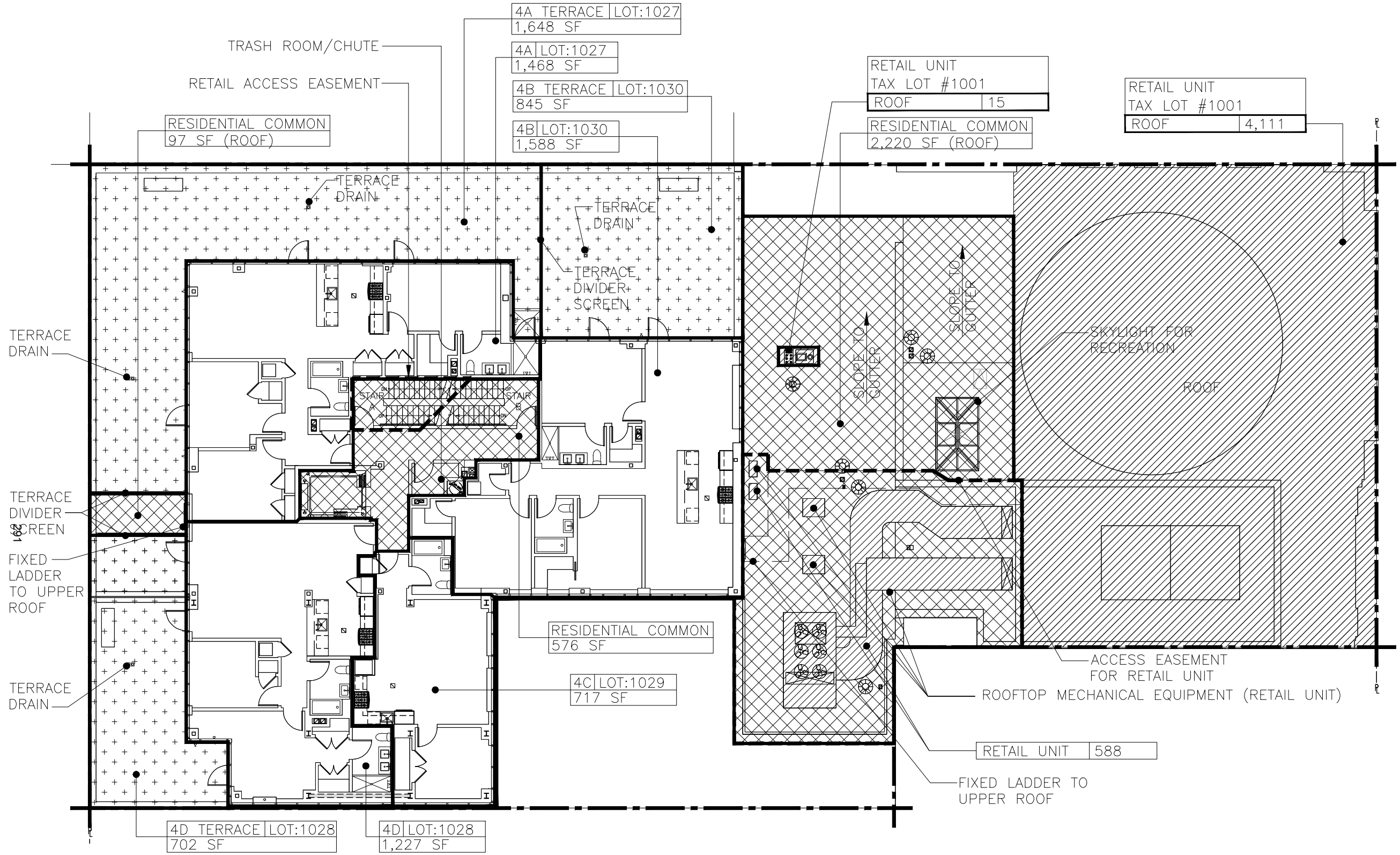
THIRD
FLOOR PLAN



01 807 MANHATTAN AVE. – FOURTH FLOOR PLAN – NEW

	RETAIL UNIT
	RESIDENTIAL UNIT
	RESIDENTIAL COMMON ELEMENT
	RESIDENTIAL LIMITED COMMON ELEMENT

RETAIL UNIT TAX LOT #1001	
CELLAR	7,510
FIRST	7,829
SECOND	96
THIRD	1,111
ROOF	4,699
BULKHEAD	0
TOTAL	21,344

P K
S + B
PKSB ARCHITECTS, PC
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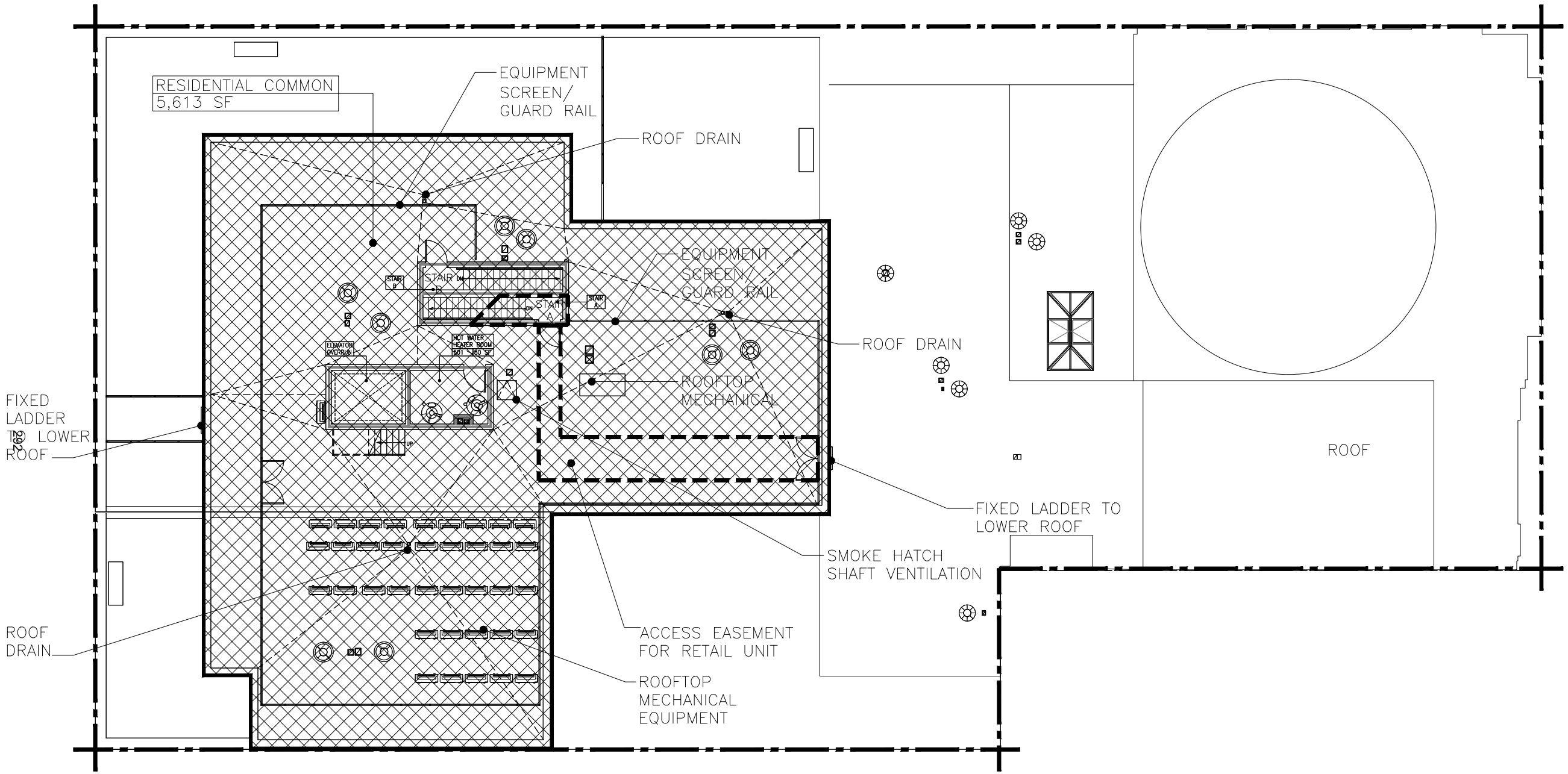
FOURTH
FLOOR PLAN

RESIDENTIAL COMMON ELEMENT



01 807 MANHATTAN AVE. – ROOF PLAN – NEW

0 8' 16'

P K
+
S B

PKSB ARCHITECTS, PC
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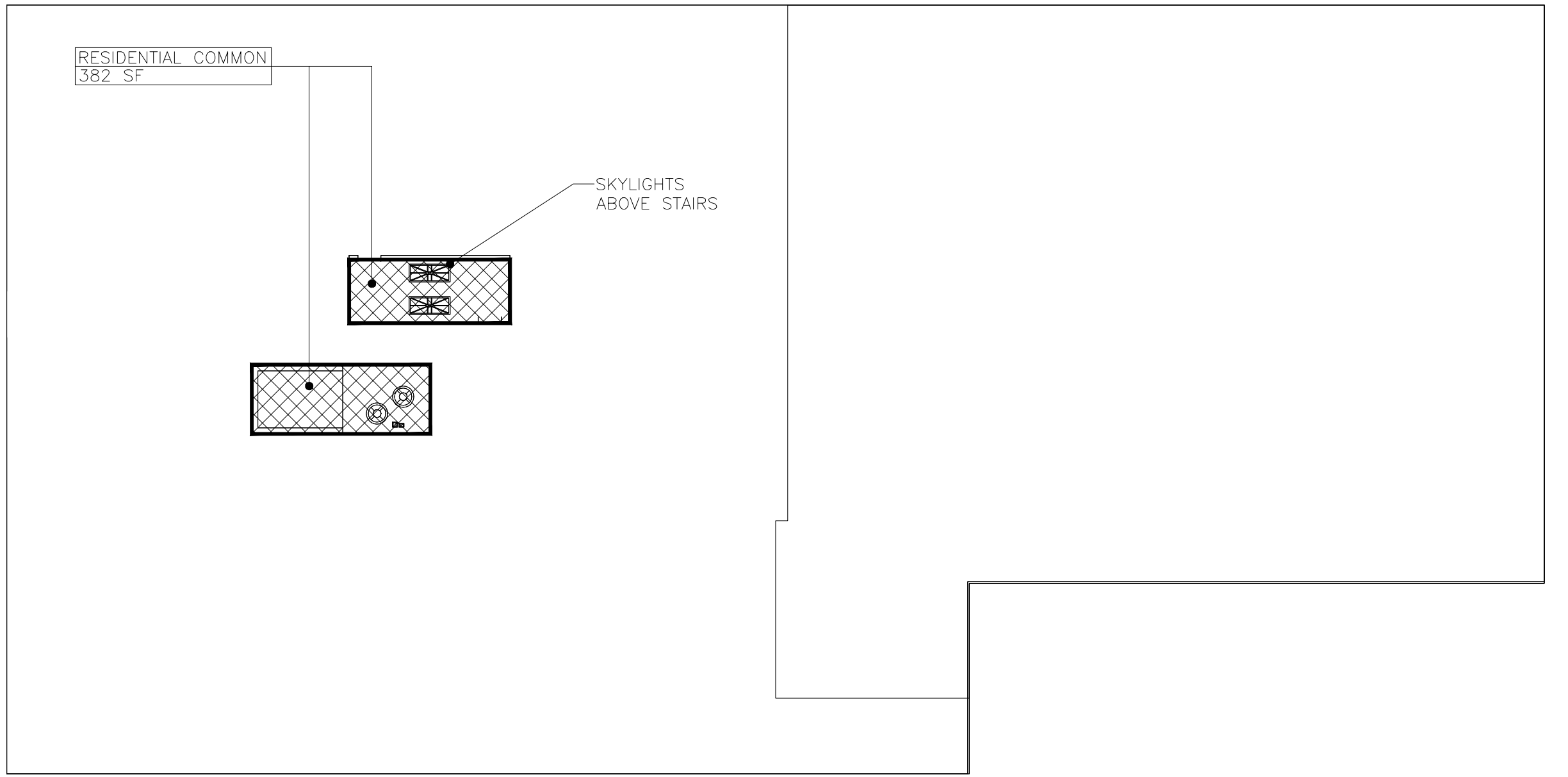
ROOF PLAN

RESIDENTIAL COMMON ELEMENT



01 807 MANHATTAN AVE. – BULKHEAD ROOF PLAN – NEW

0 8' 16'

P K
S + B
PKSB ARCHITECTS, PC
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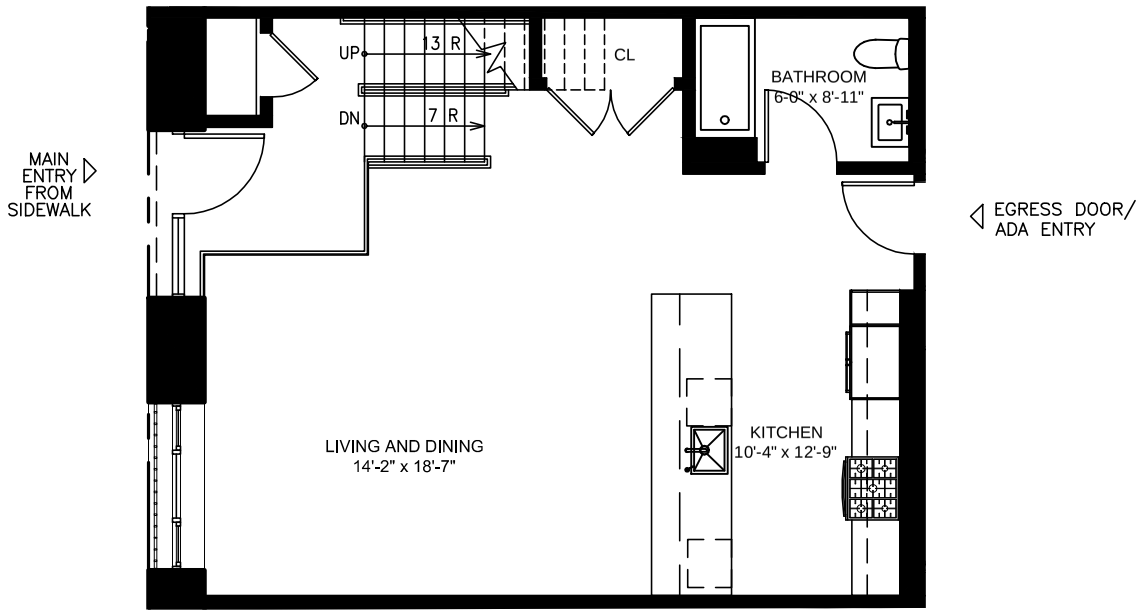
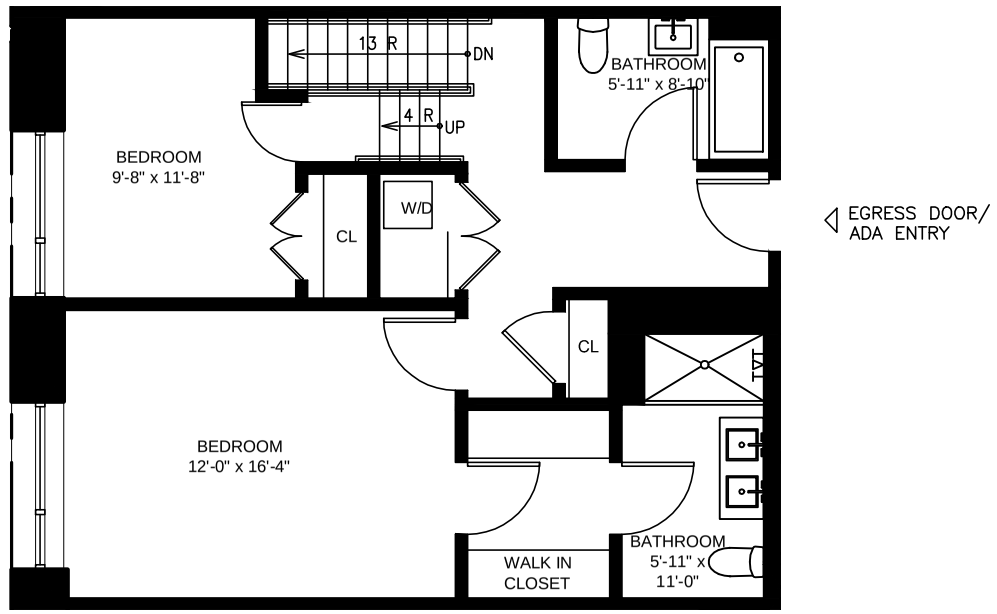
BULKHEAD
ROOF PLAN

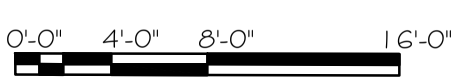


BASEMENT



FIRST FLOOR

294



P K
S + B
PKSB ARCHITECTS, PC
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NEW YORK NY 10036
212 594 2010

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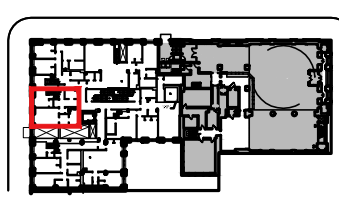
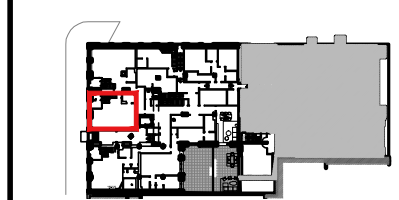
8/28/2019

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.



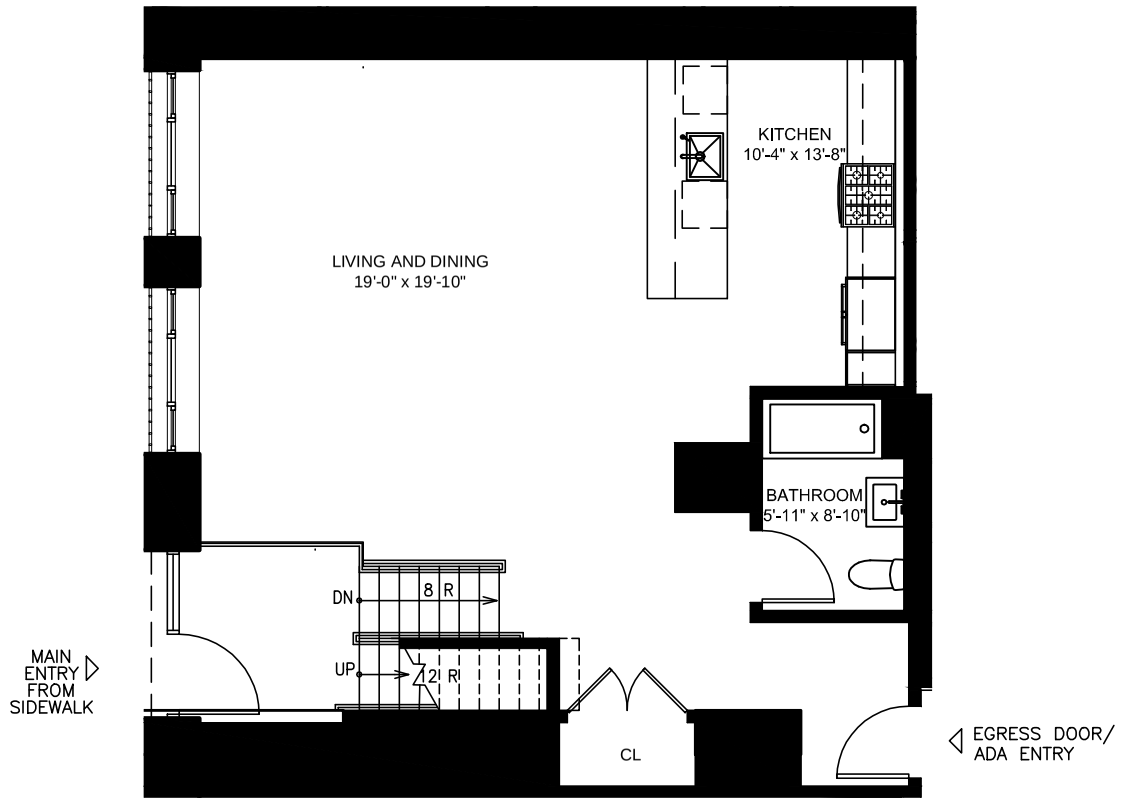
UNIT LOCATION



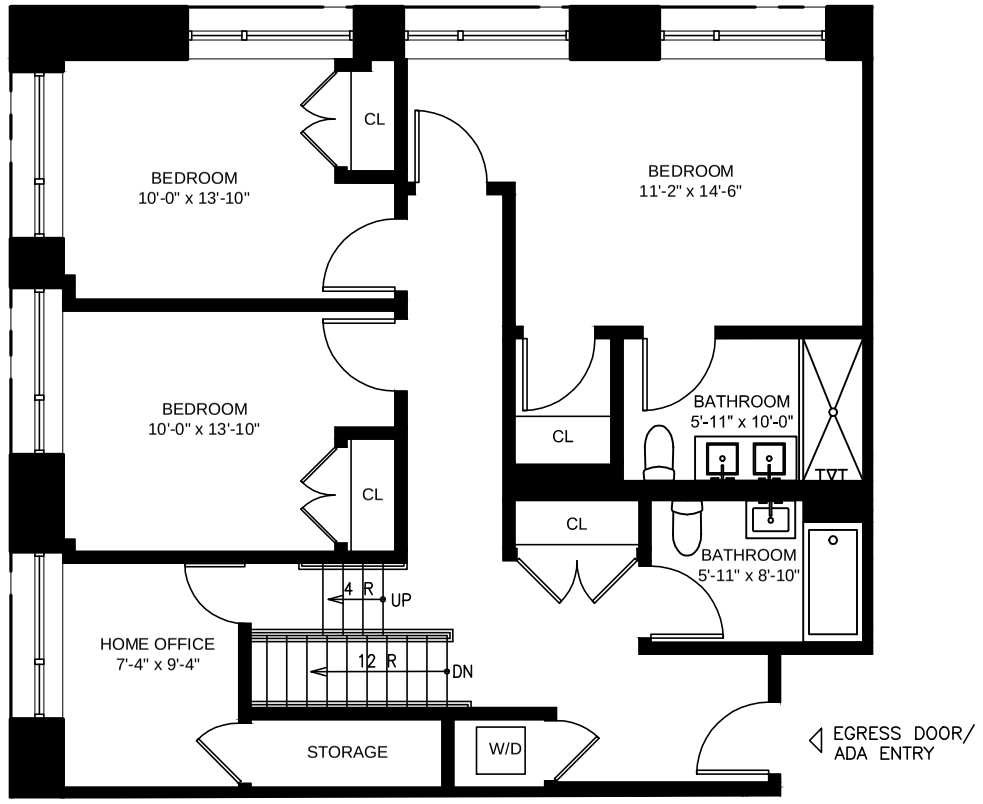
UNIT LOCATION

UNIT INFORMATION	
UNIT NUMBER	1A
UNIT SQ FOOTAGE	1614
NO. OF BEDROOMS	2
NO. OF BATHROOMS	3
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	11'–6" 8'–0" 8'–8"

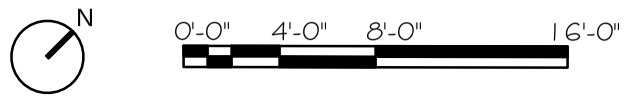
UNIT 1A



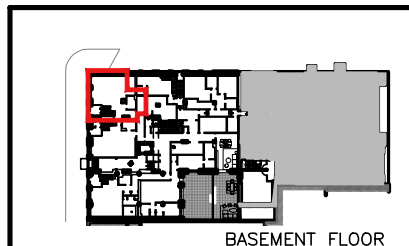
BASEMENT



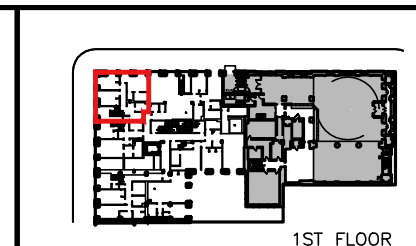
FIRST FLOOR



ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.



UNIT LOCATION



UNIT LOCATION

UNIT NUMBER	1B
UNIT SQ FOOTAGE	2206
NO. OF BEDROOMS	3
NO. OF BATHROOMS	3
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	11'–6" 8'–0" 9'–0"

UNIT INFORMATION

P + S K B
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(AKA 1080 LORIMER STREET)
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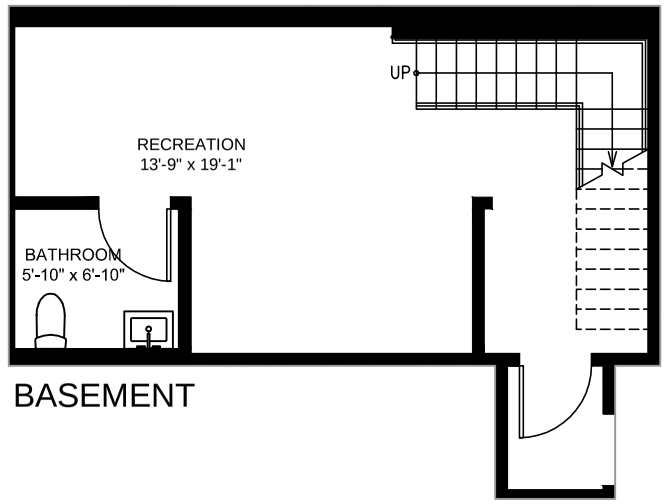
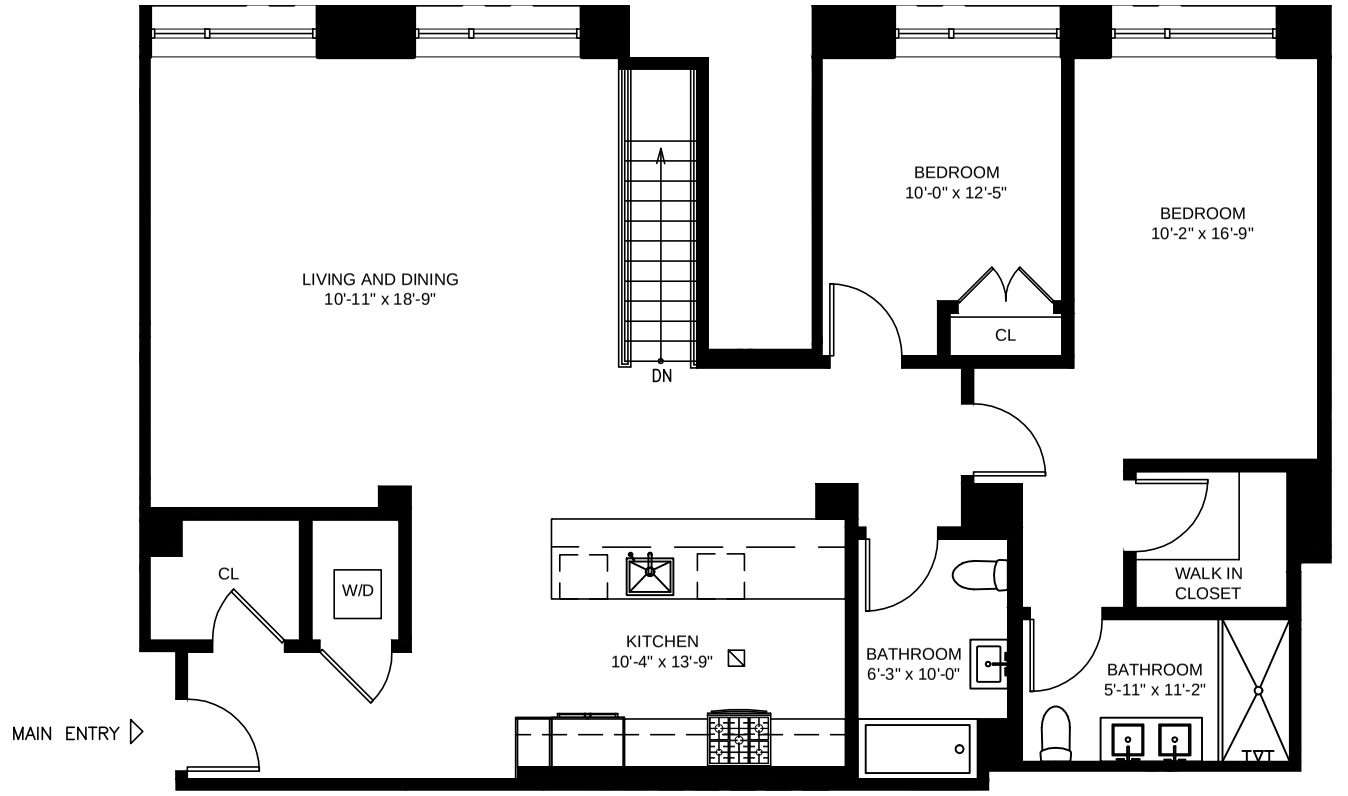
8/28/2019

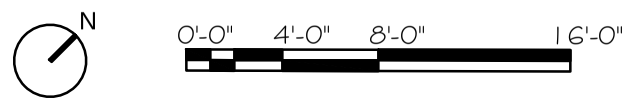
UNIT 1B



BASEMENT



FIRST FLOOR



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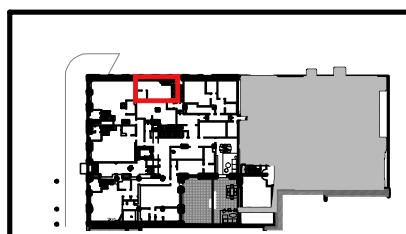
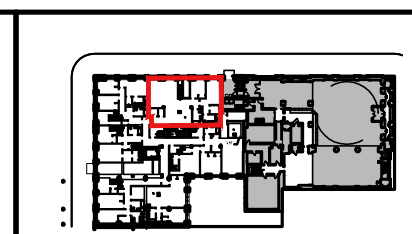


UNIT LOCATION



UNIT LOCATION

UNIT NUMBER	1C
UNIT SQ FOOTAGE	1992
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2.5
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	11'–6" 8'–0" 10'–0"

UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
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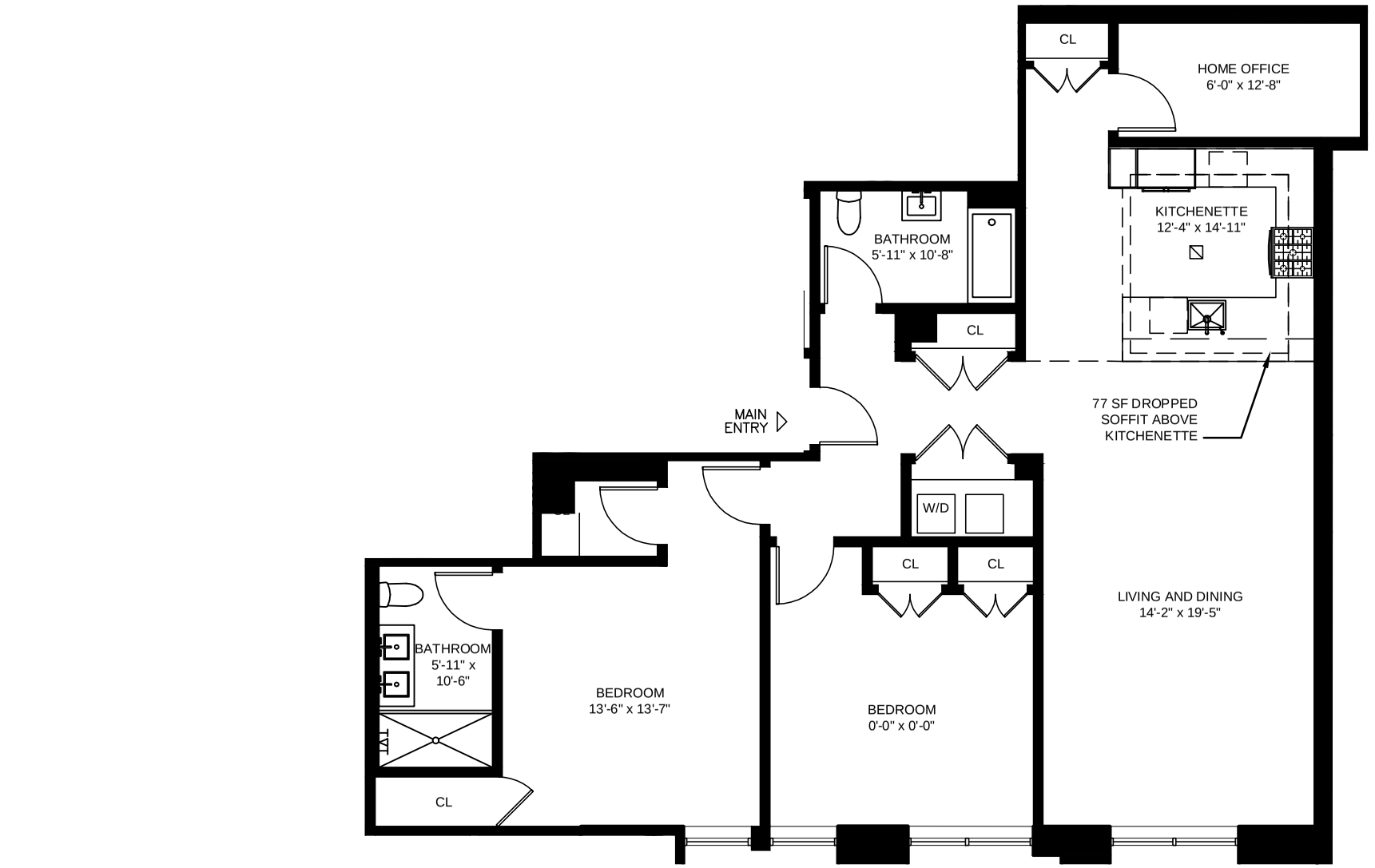
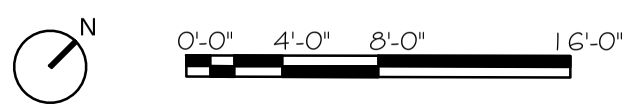
BROOKLYN, NY 11222
8/28/2019

UNIT 1C





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UNIT LOCATION

UNIT NUMBER	1D
UNIT SQ FOOTAGE	1573
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	11'–6" 8'–0" 10'–0"

UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
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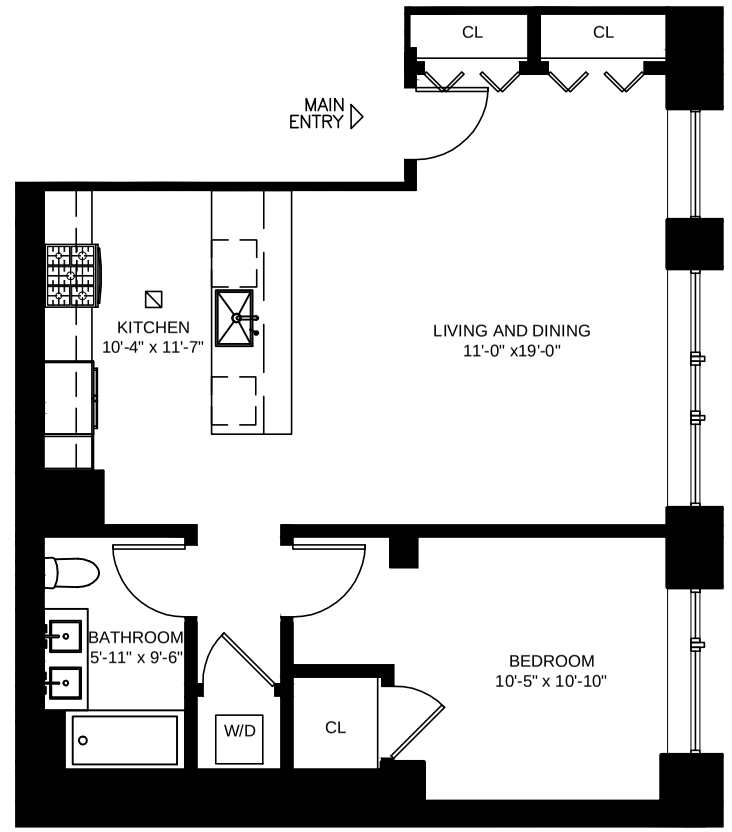
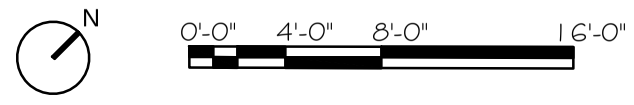
UNIT 1D





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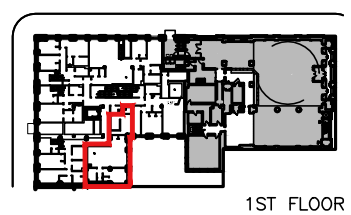

UNIT LOCATION

UNIT NUMBER	1E
UNIT SQ FOOTAGE	881
NO. OF BEDROOMS	1
NO. OF BATHROOMS	1
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	11'–6" 8'–0" 9'–0"

UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
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807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
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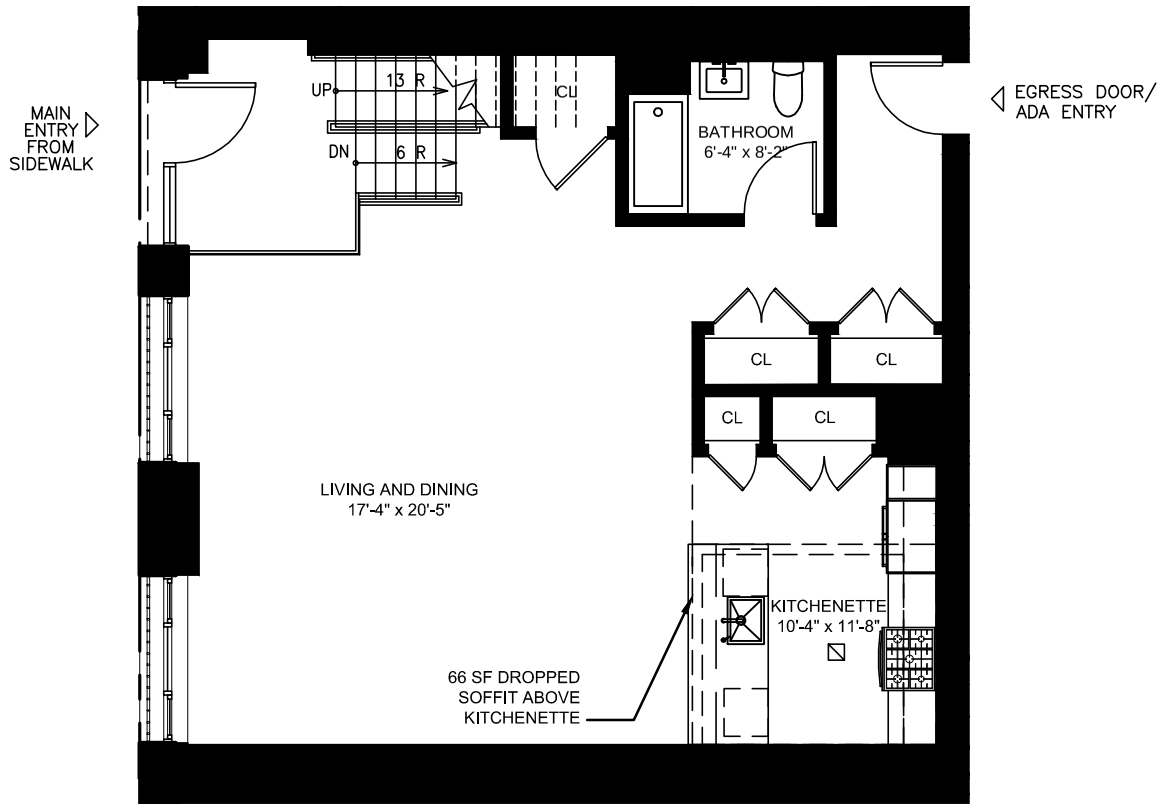
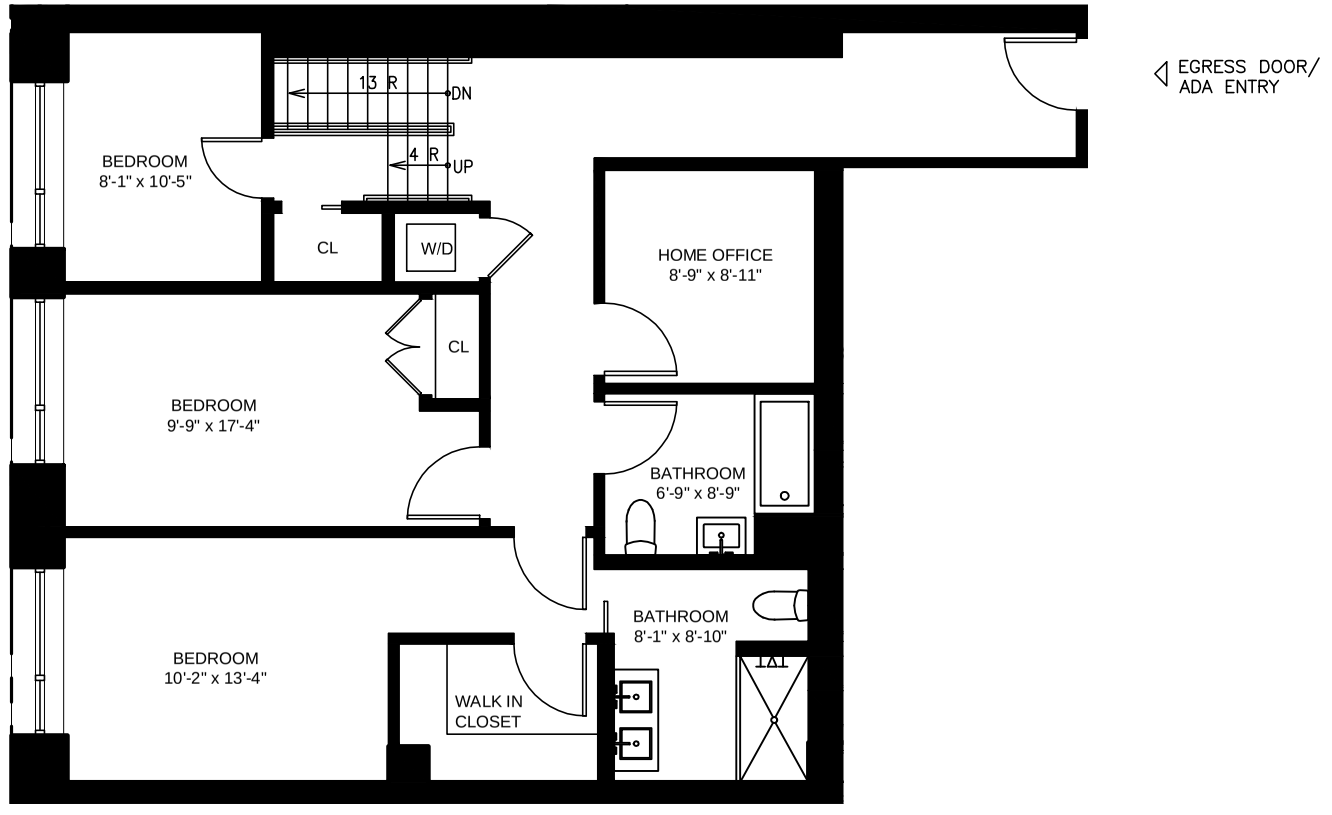
UNIT 1E



BASEMENT

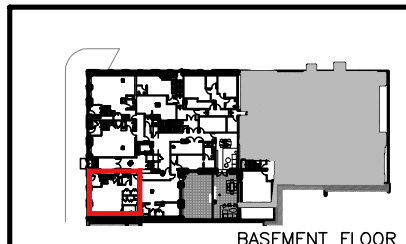


FIRST FLOOR

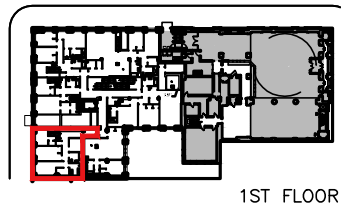
N

0'-0" 4'-0" 8'-0" 16'-0"

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.



UNIT LOCATION



UNIT LOCATION

UNIT INFORMATION	
UNIT NUMBER	1F
UNIT SQ FOOTAGE	2329
NO. OF BEDROOMS	3
NO. OF BATHROOMS	3
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	11'–6" 8'–0" 9'–0"

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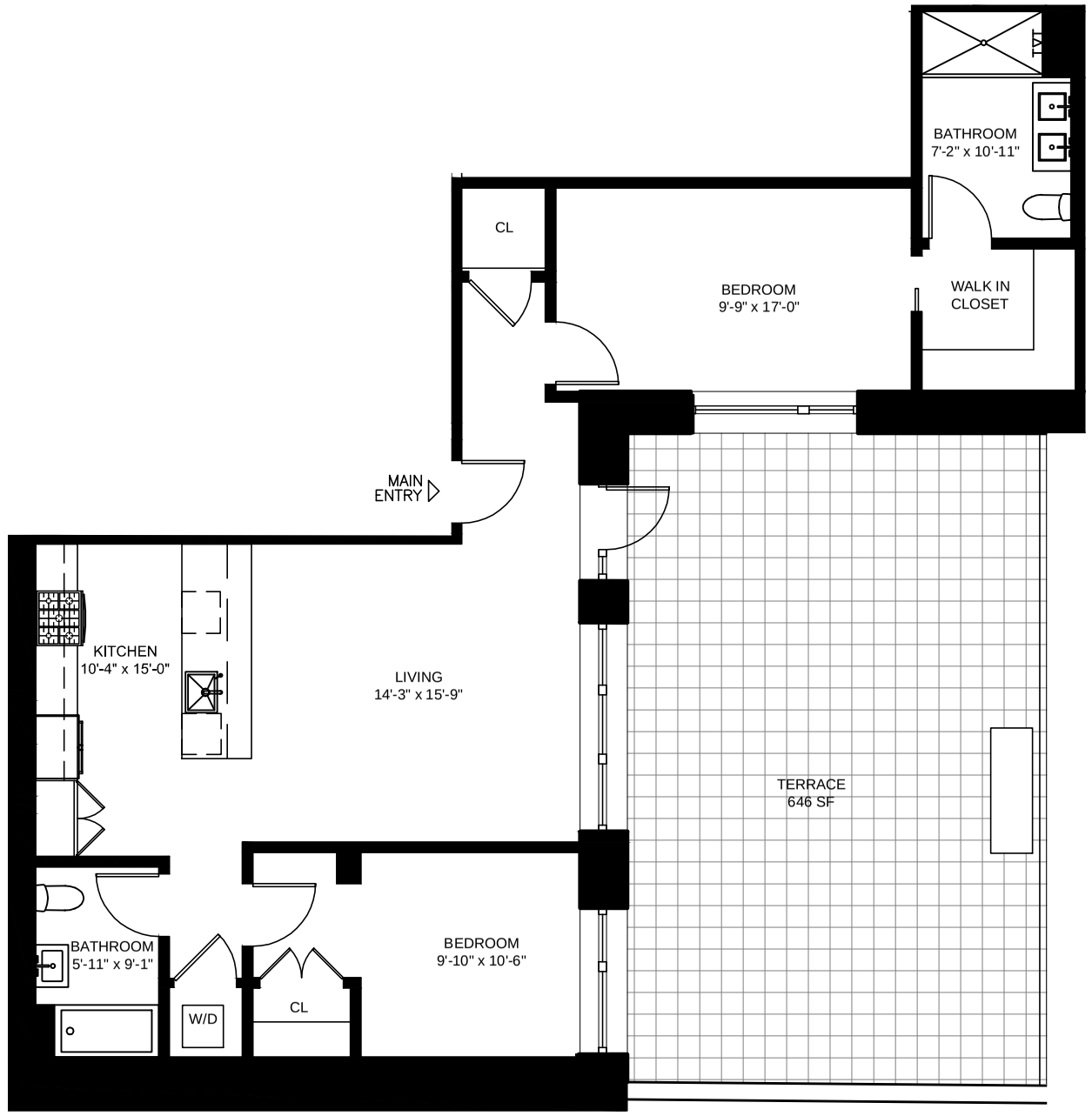
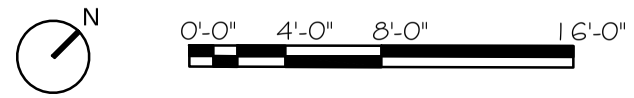
UNIT 1F





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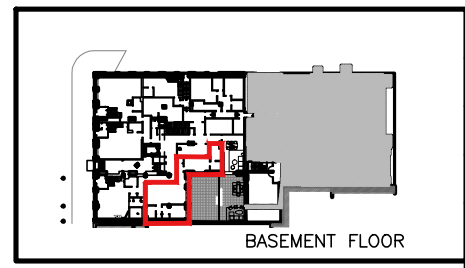

UNIT LOCATION

UNIT NUMBER	1G
UNIT SQ FOOTAGE	1280
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	11'–6" 8'–0" 10'–0"
EXTERIOR SQ FOOTAGE:	646 SF

UNIT INFORMATION

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BROOKLYN, NY 11222
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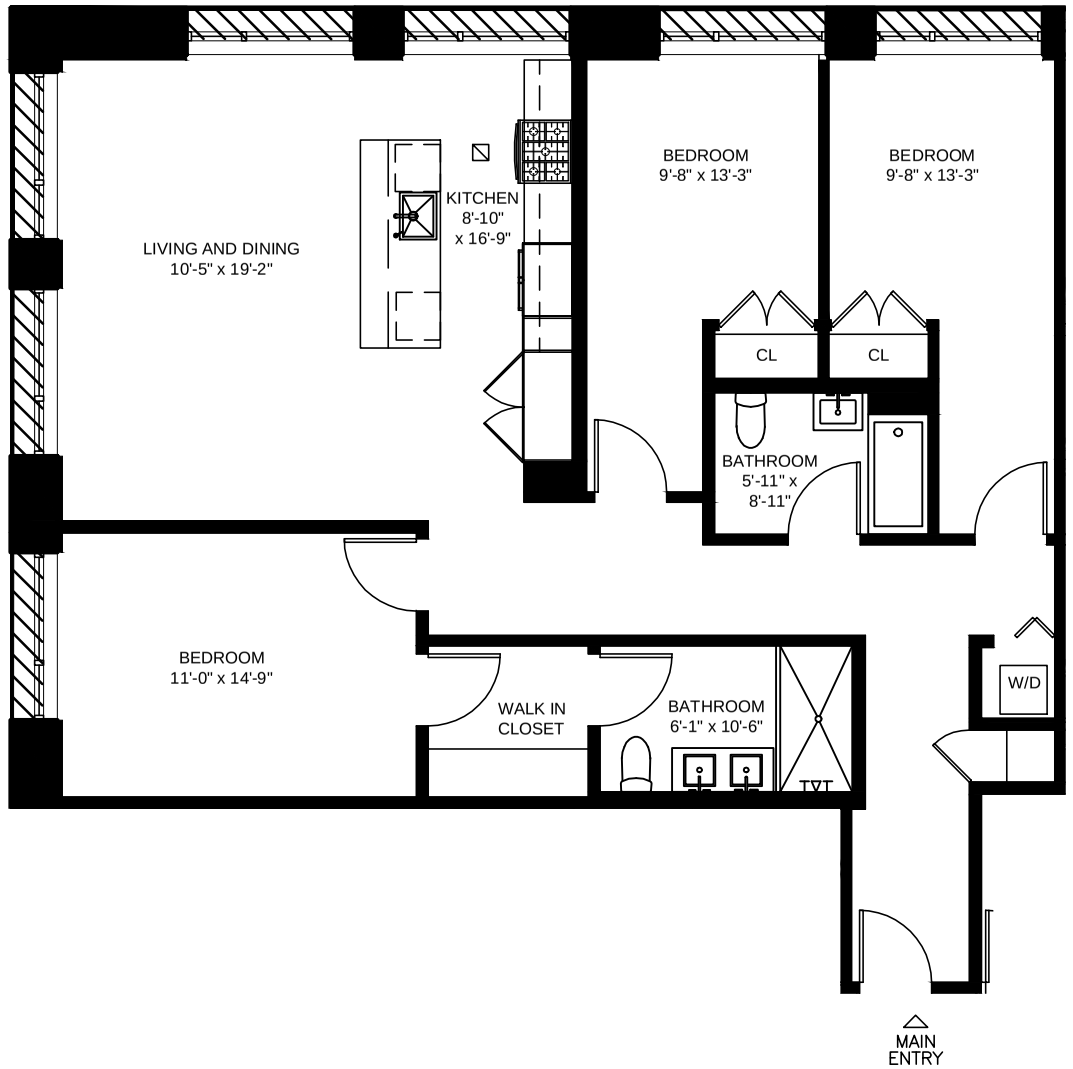
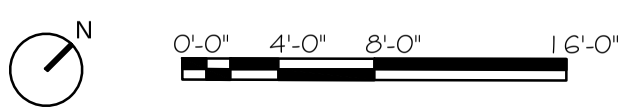
UNIT 1G





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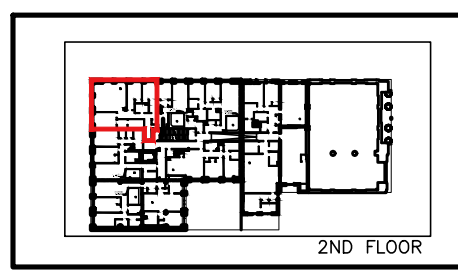

UNIT LOCATION

UNIT NUMBER	2A, 3A
UNIT SQ FOOTAGE	1490
NO. OF BEDROOMS	3
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
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212 594 2010

807 MANHATTAN AVENUE
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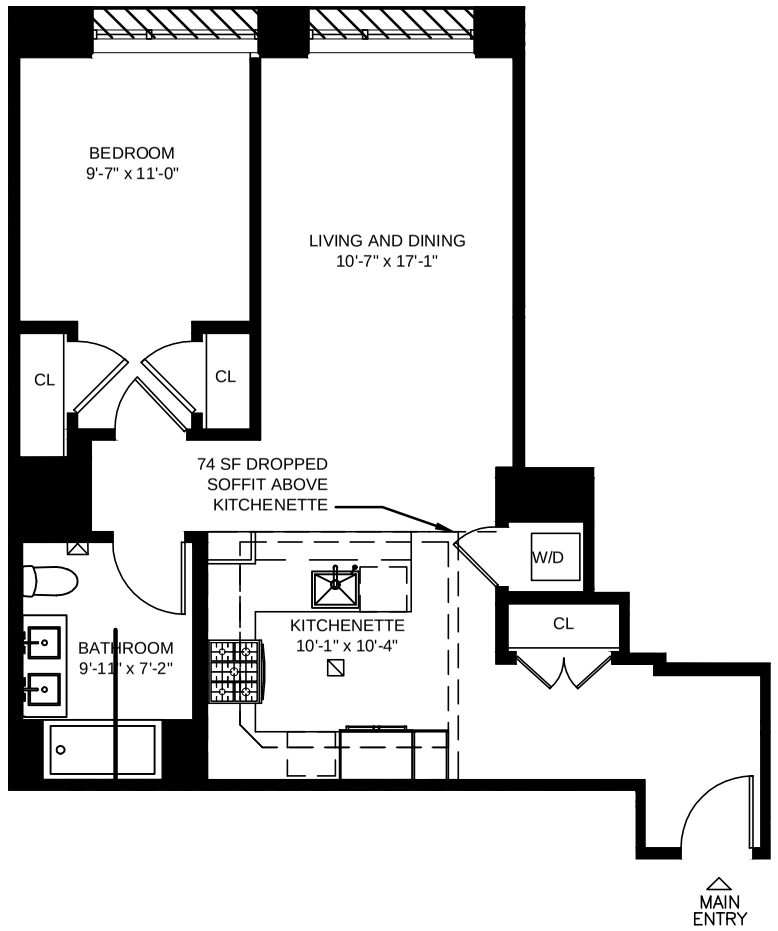
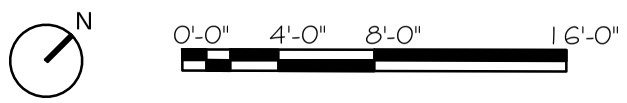
BROOKLYN, NY 11222
8/28/2019

UNIT 2A/3A





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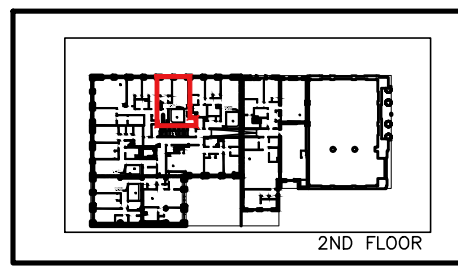


UNIT LOCATION

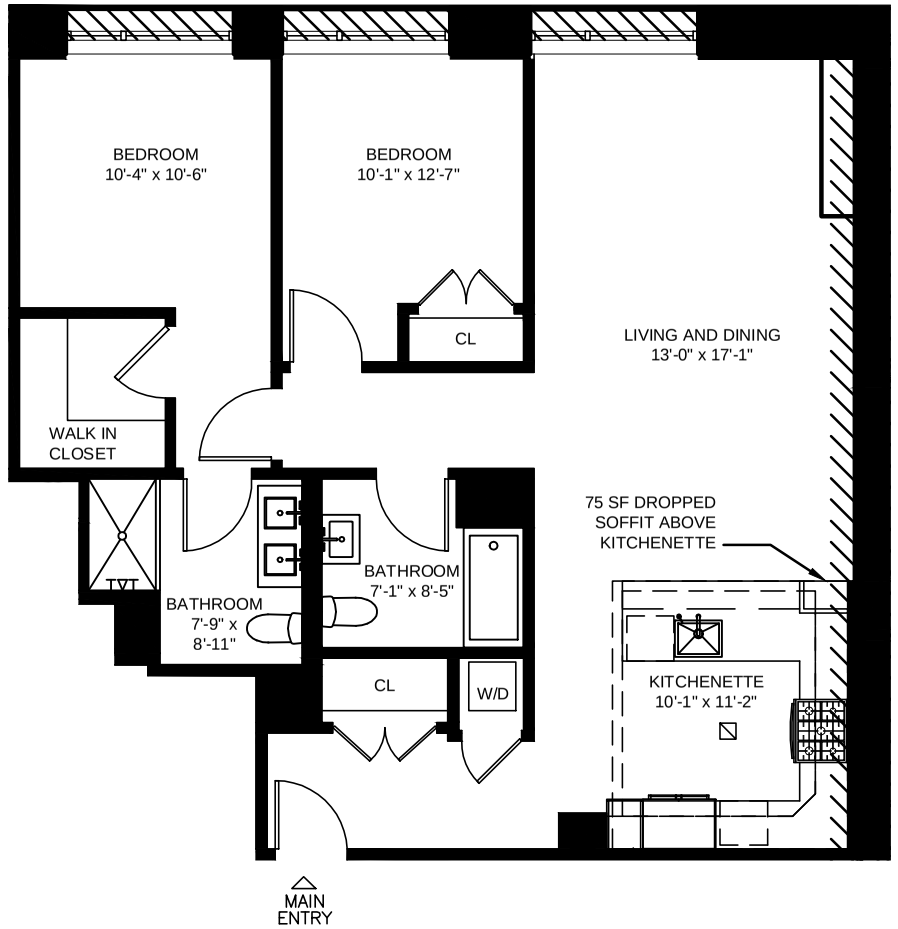
UNIT NUMBER	2B,3B
UNIT SQ FOOTAGE	787
NO. OF BEDROOMS	1
NO. OF BATHROOMS	1
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

UNIT INFORMATION

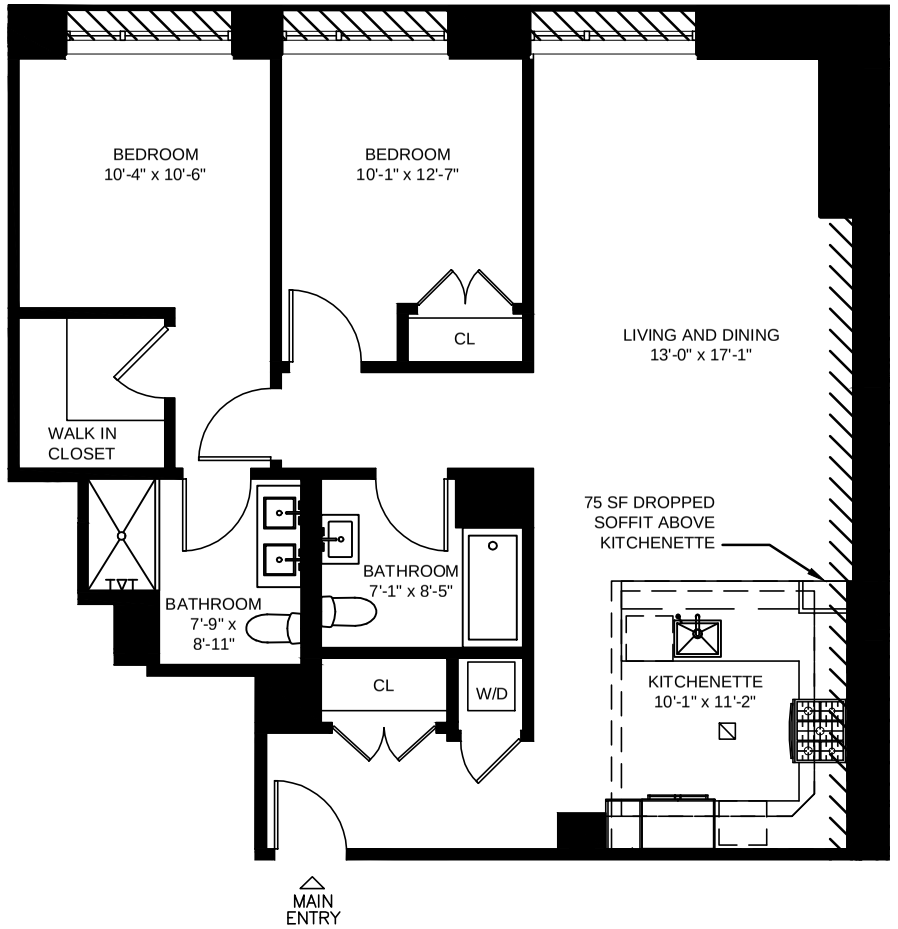
P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

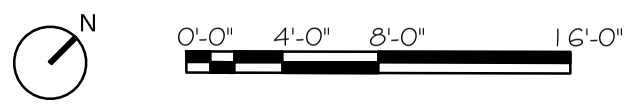
UNIT 2B/3B



2F - SECOND FLOOR



3F - THIRD FLOOR



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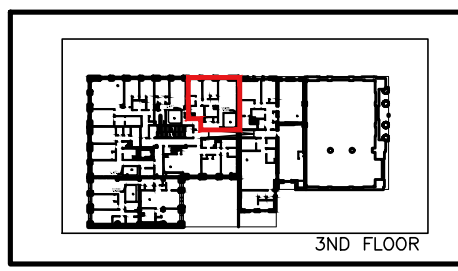
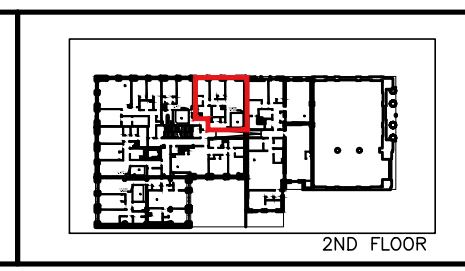


UNIT LOCATION



UNIT LOCATION

UNIT NUMBER	2C	3C
UNIT SQ FOOTAGE	1168	1159
NO. OF BEDROOMS	2	
NO. OF BATHROOMS	2	
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"	

UNIT INFORMATION

P K
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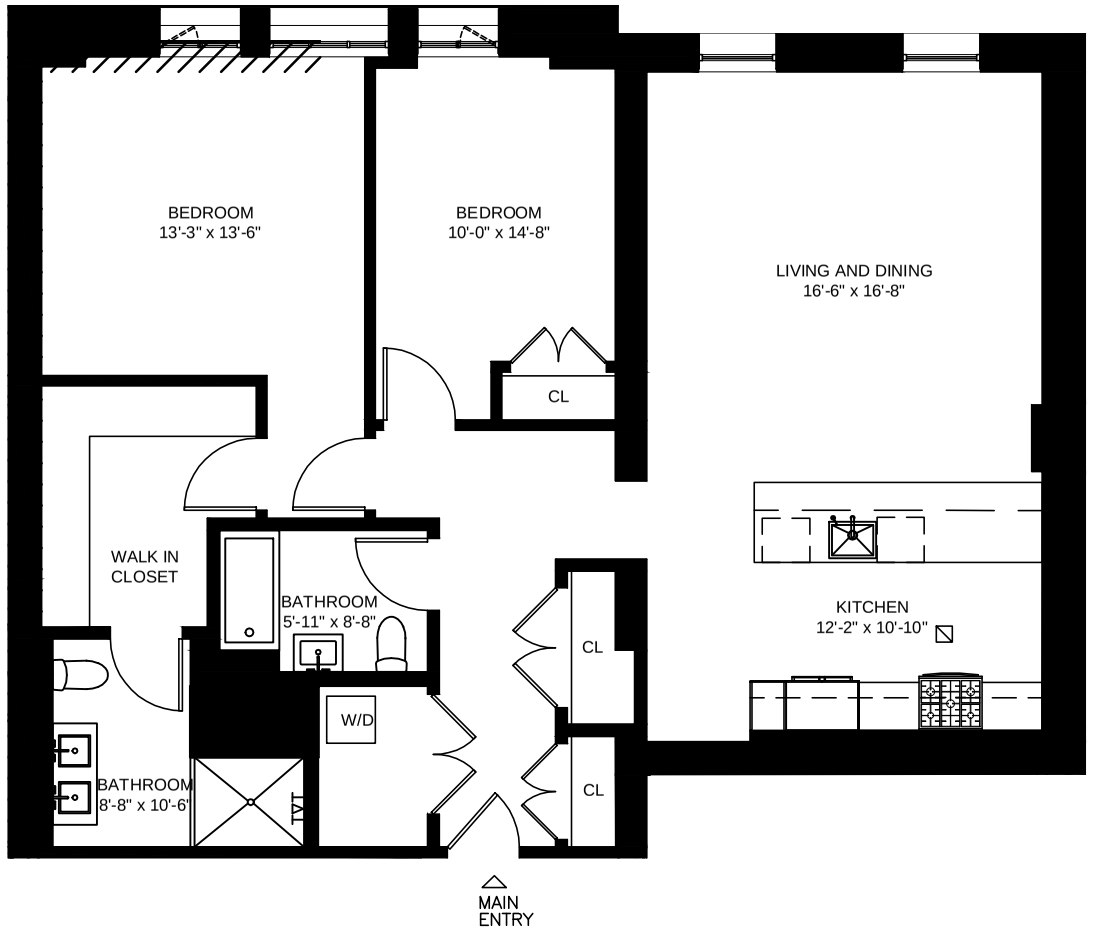
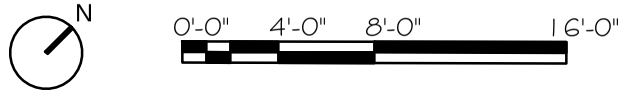
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 2C/3C





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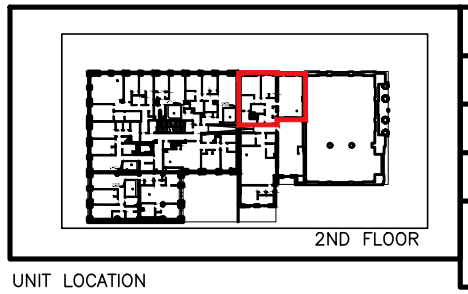

UNIT LOCATION

UNIT NUMBER	2D
UNIT SQ FOOTAGE	1442
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
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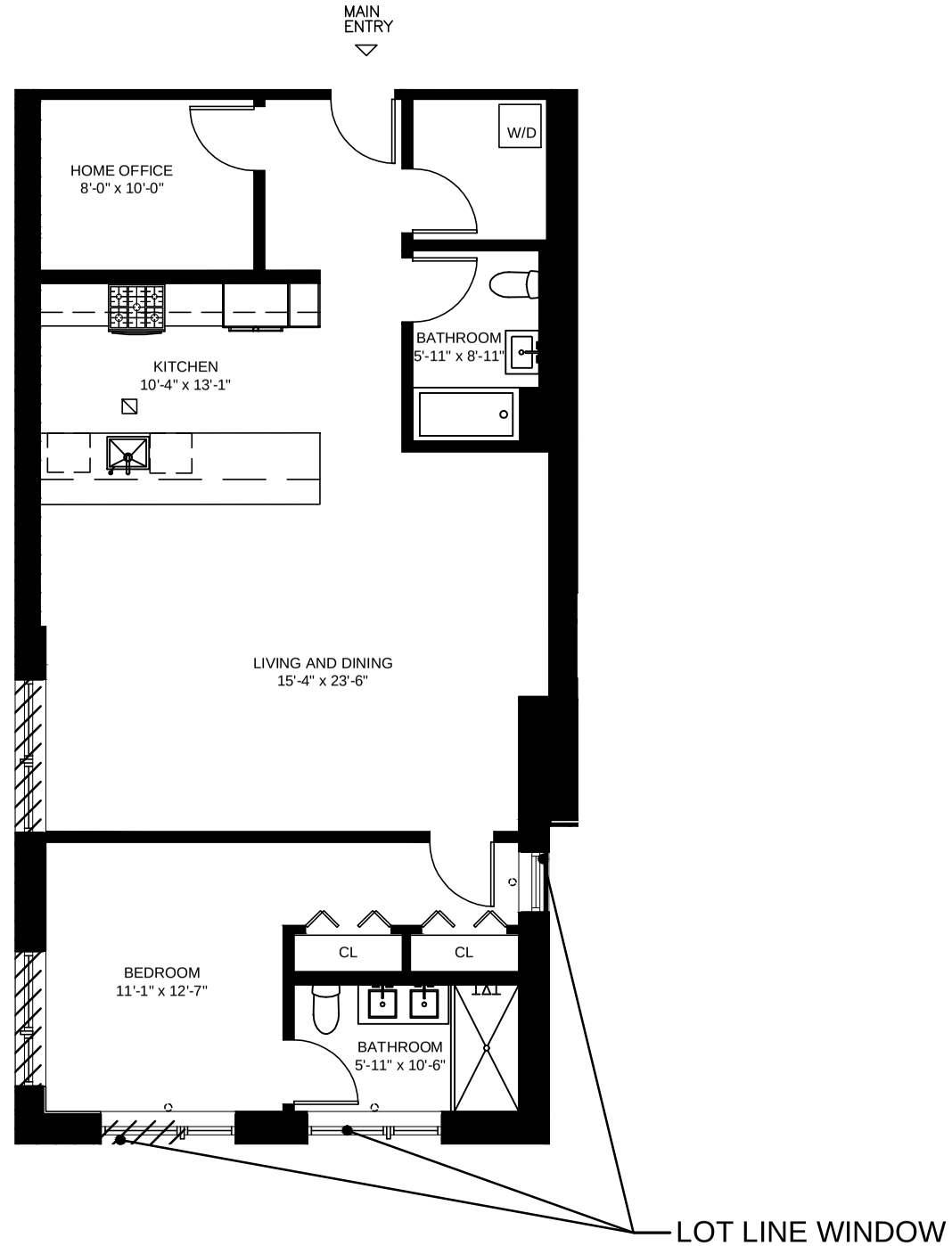
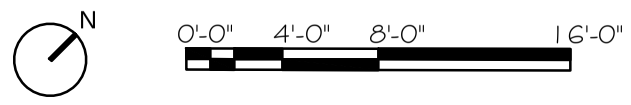
BROOKLYN, NY 11222
8/28/2019

UNIT 2D





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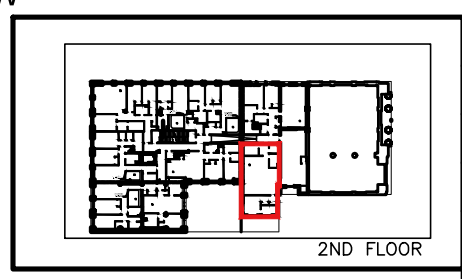


UNIT LOCATION

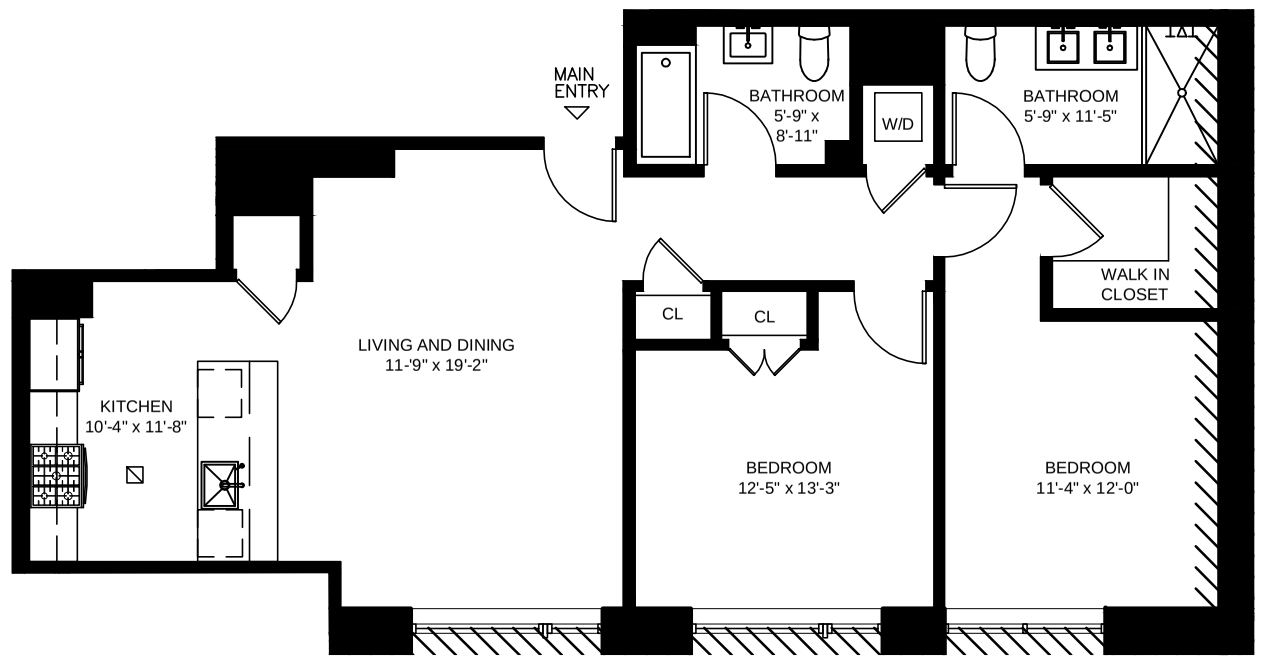
UNIT NUMBER	2E
UNIT SQ FOOTAGE	1263
NO. OF BEDROOMS	1
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

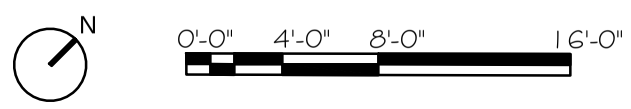
UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 2E





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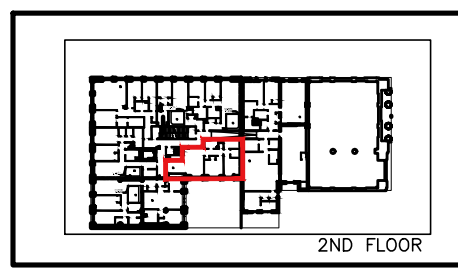

UNIT LOCATION

UNIT NUMBER	2F,3F
UNIT SQ FOOTAGE	1135
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

UNIT INFORMATION

P K
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PKSB ARCHITECTS, PC
330 W42 STREET
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212 594 2010

807 MANHATTAN AVENUE
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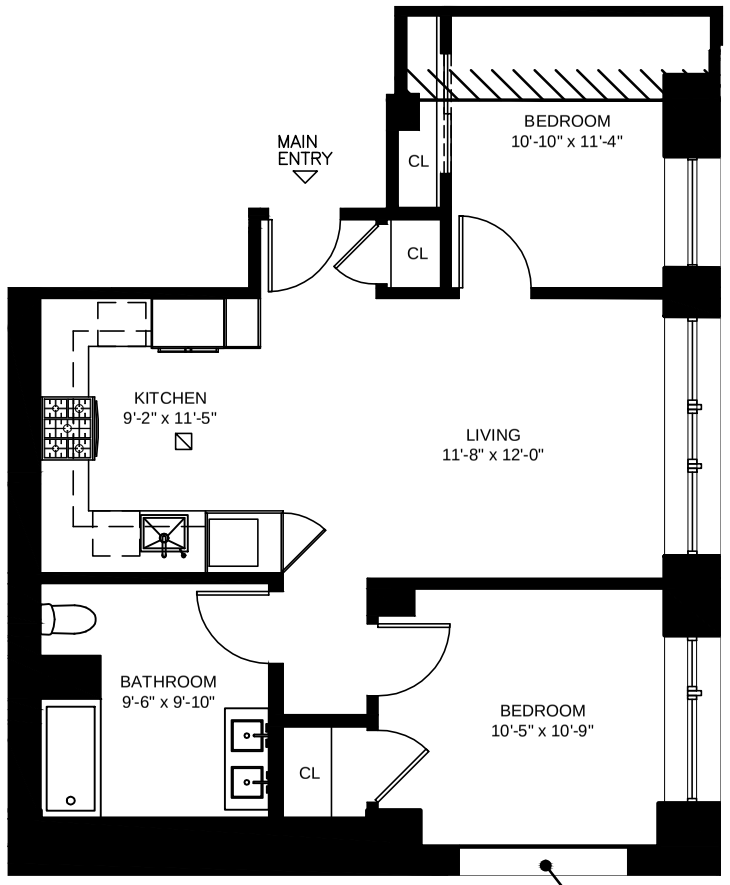
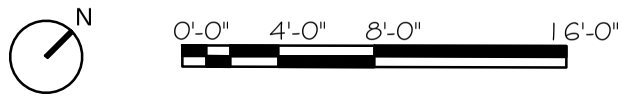
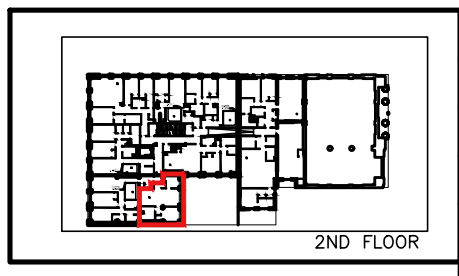
BROOKLYN, NY 11222
8/28/2019

UNIT 2F/3F







UNIT LOCATION

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.

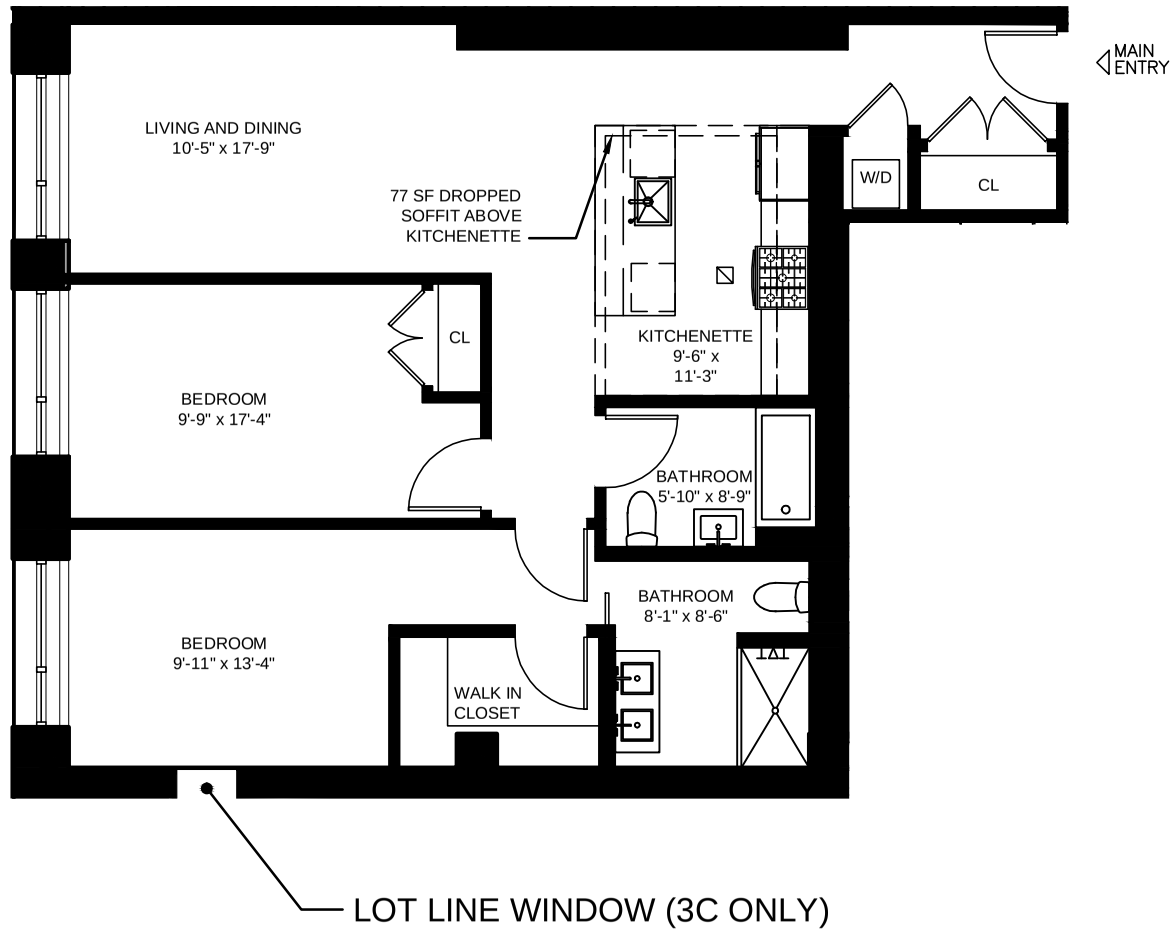
UNIT NUMBER	2G,3G
UNIT SQ FOOTAGE	891
NO. OF BEDROOMS	2
NO. OF BATHROOMS	1
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

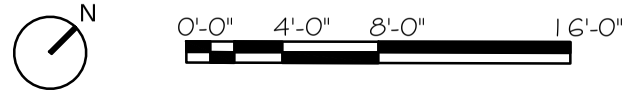
UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 2G/3G





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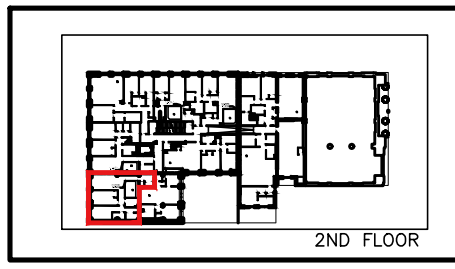


UNIT LOCATION

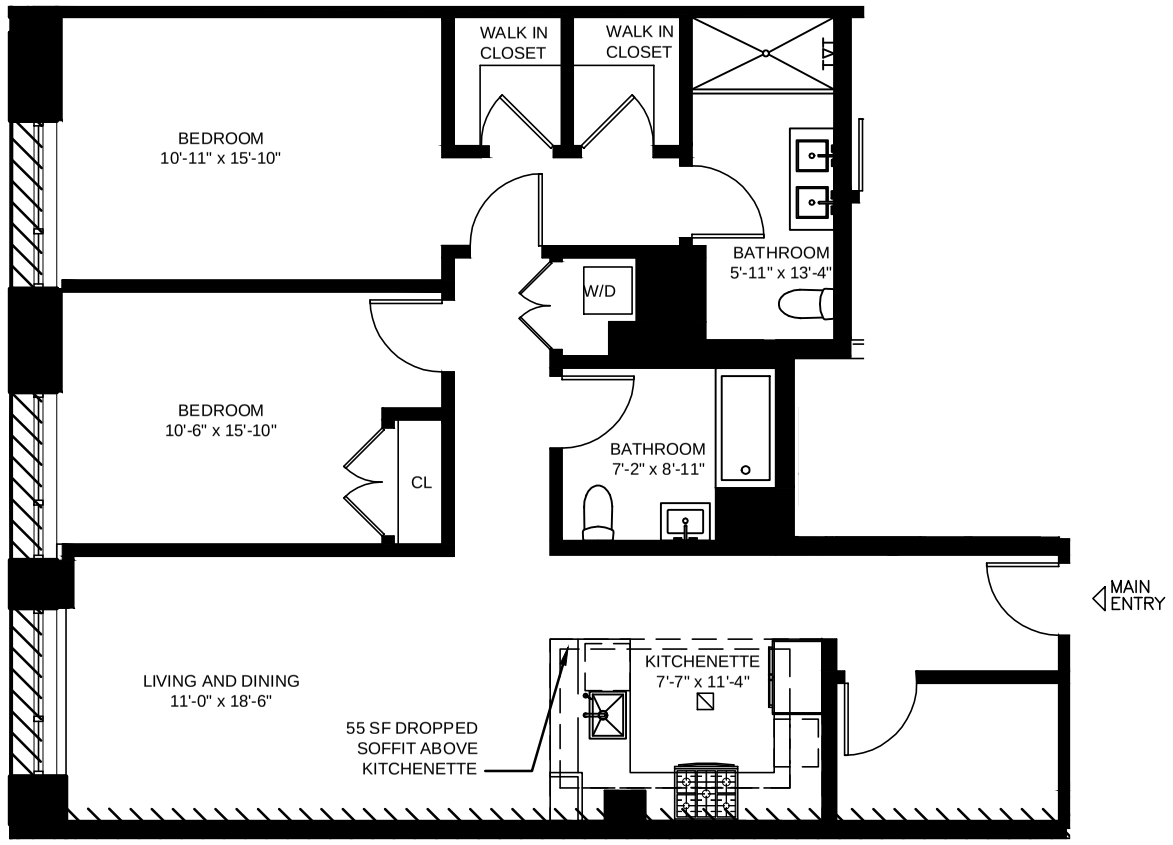
UNIT NUMBER	2H,3H
UNIT SQ FOOTAGE	1193
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

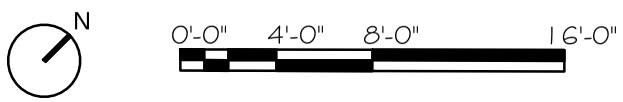
UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 2H/3H





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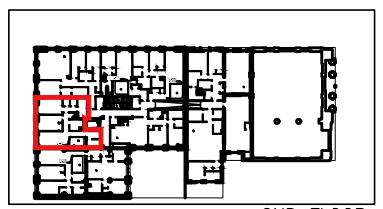


UNIT LOCATION

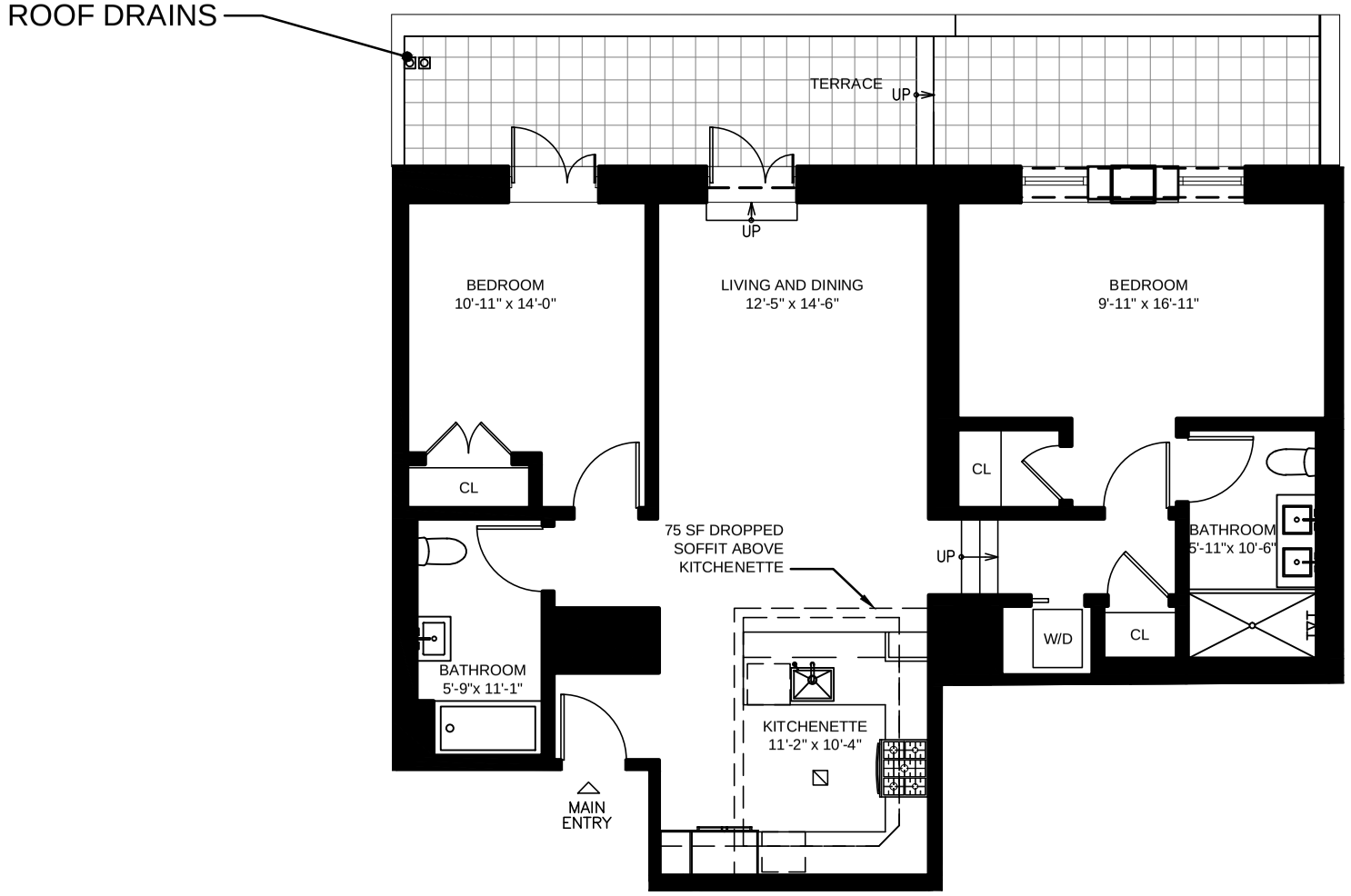
UNIT NUMBER	2J,3J
UNIT SQ FOOTAGE	1292
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS, KITCHEN	10'–0" 8'–0" 9'–0"

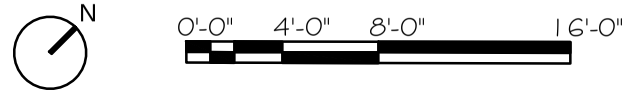
UNIT INFORMATION

PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 2J/3J





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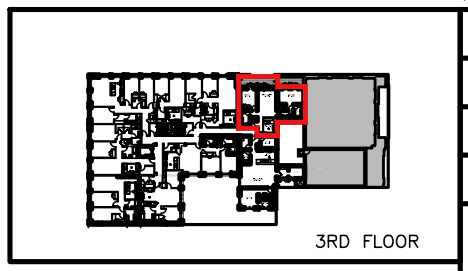


UNIT LOCATION

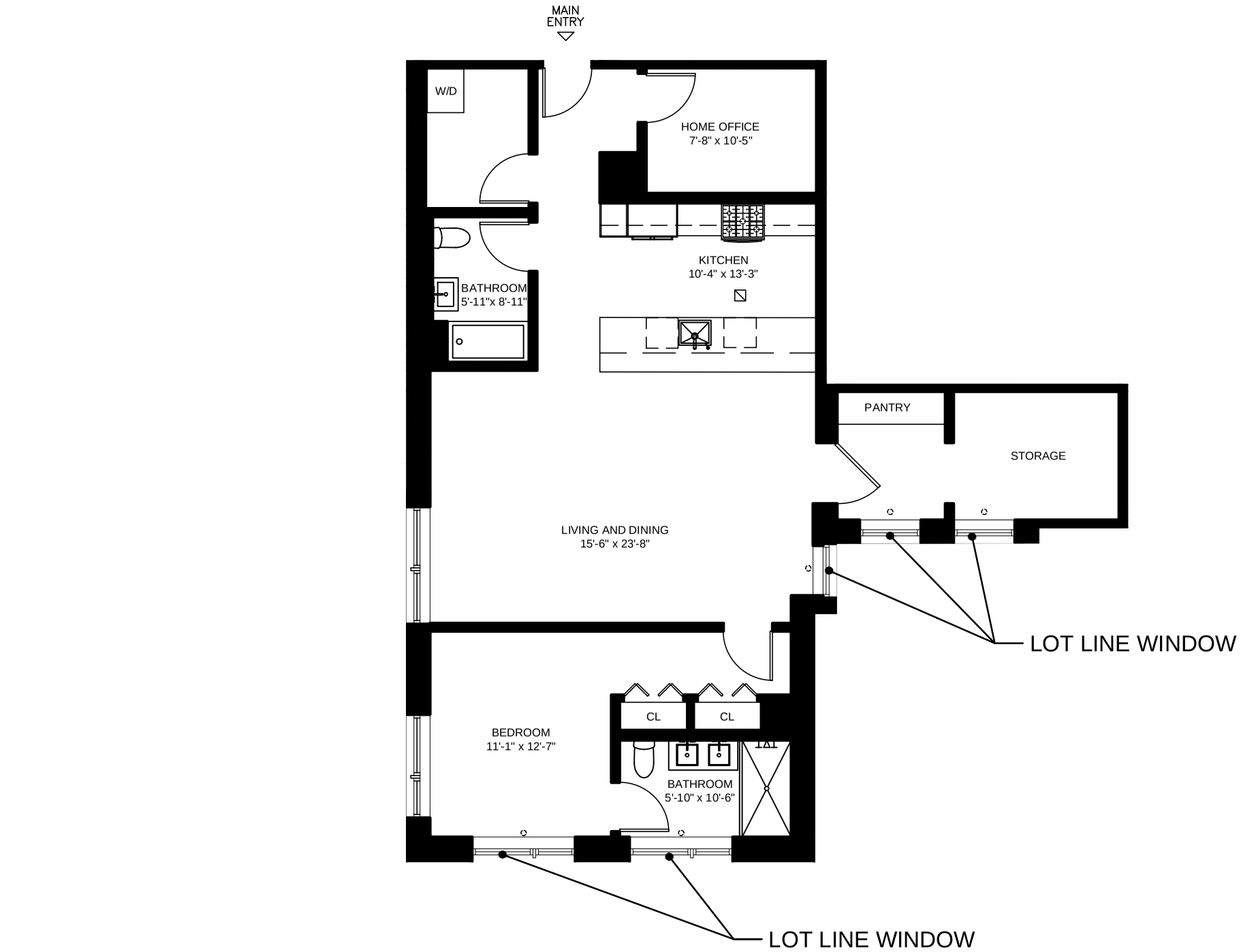
UNIT NUMBER	3D
UNIT SQ FOOTAGE	1208
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	11'–6" 8'–0" 10'–0"
OUTDOOR SQ FOOTAGE	250 SF

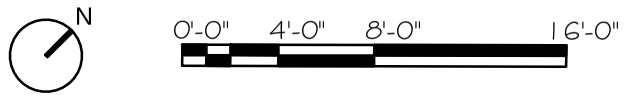
UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 3D





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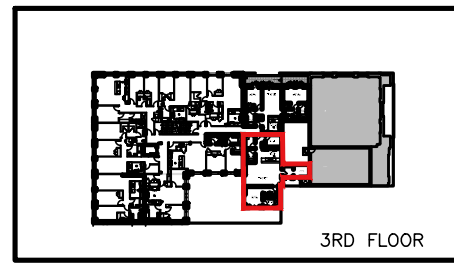


UNIT LOCATION

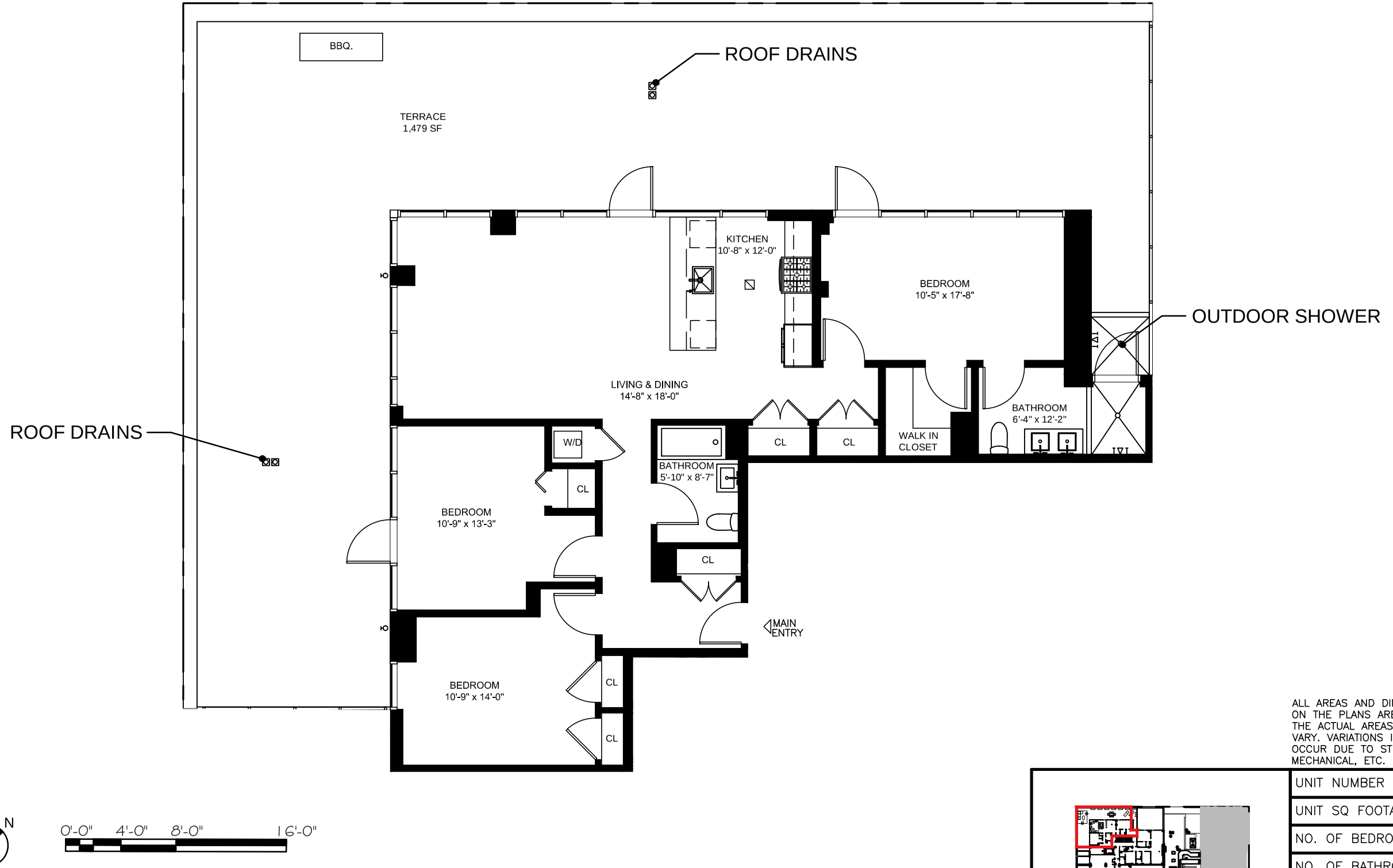
UNIT NUMBER	3E
UNIT SQ FOOTAGE	1413
NO. OF BEDROOMS	1
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	11'–6" 8'–0" 10'–0"

UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 3E

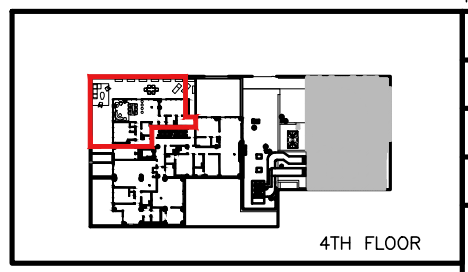


P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222

8/28/2019

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.

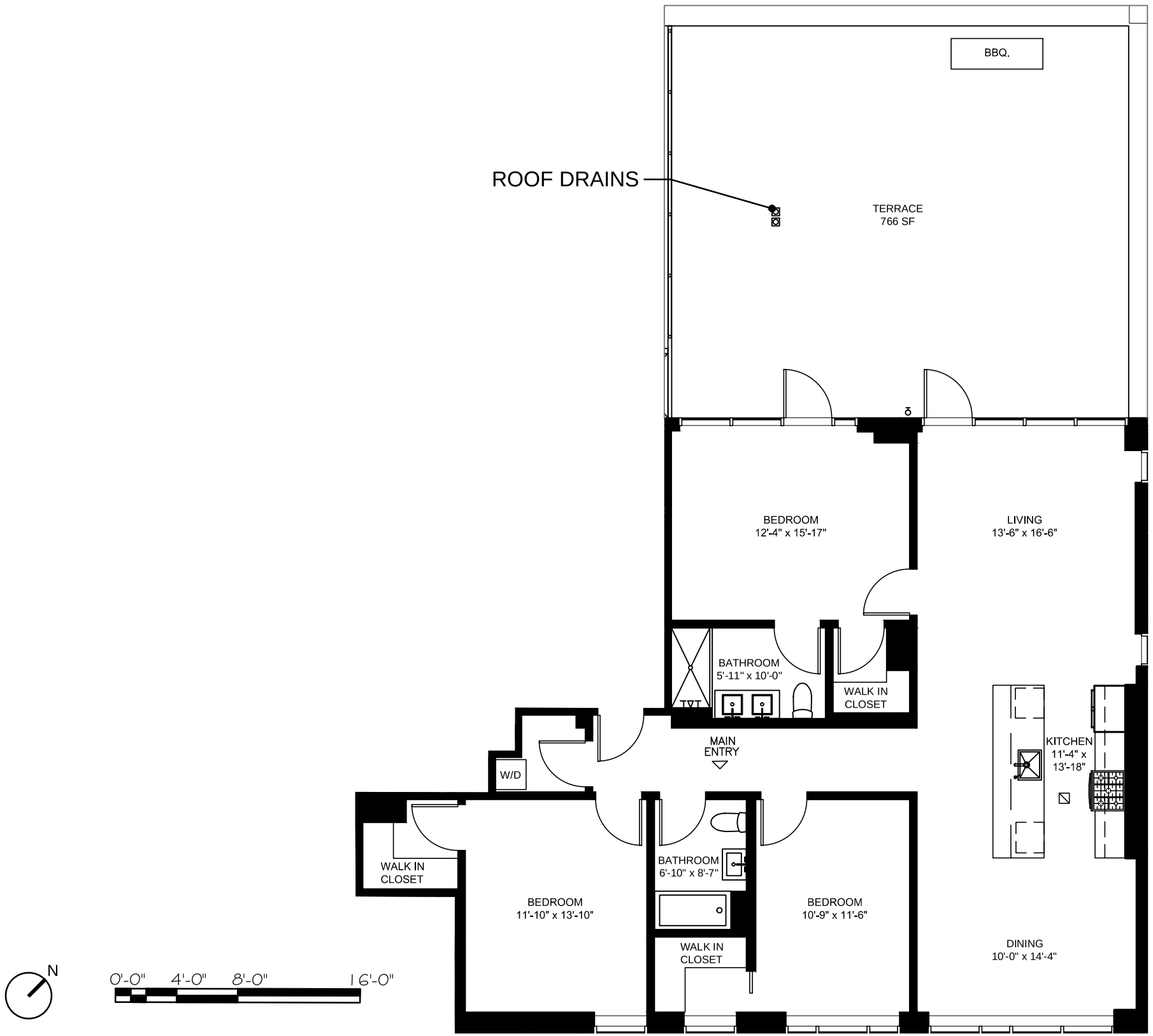


UNIT LOCATION

UNIT NUMBER	4A
UNIT SQ FOOTAGE	1468
NO. OF BEDROOMS	3
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	9'–0" 8'–0" 8'–0"
OUTDOOR SQ FOOTAGE	1648 SF

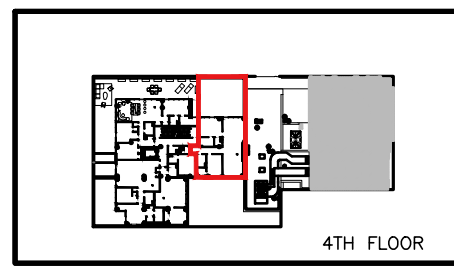
UNIT INFORMATION

UNIT 4A



313

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.



UNIT LOCATION

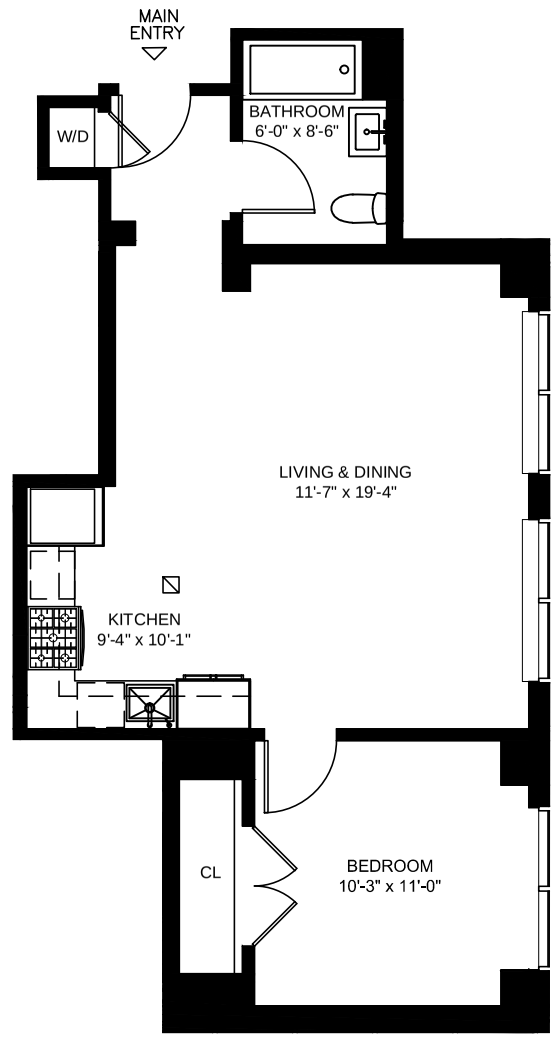
UNIT NUMBER	4B
UNIT SQ FOOTAGE	1588
NO. OF BEDROOMS	3
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	9'–0" 8'–0" 8'–0"
OUTDOOR SQ FOOTAGE	845 SF

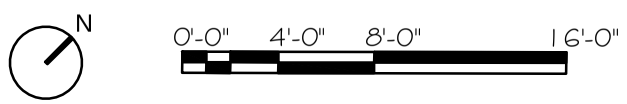
UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 4B





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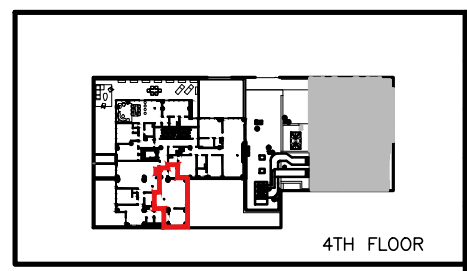


UNIT LOCATION

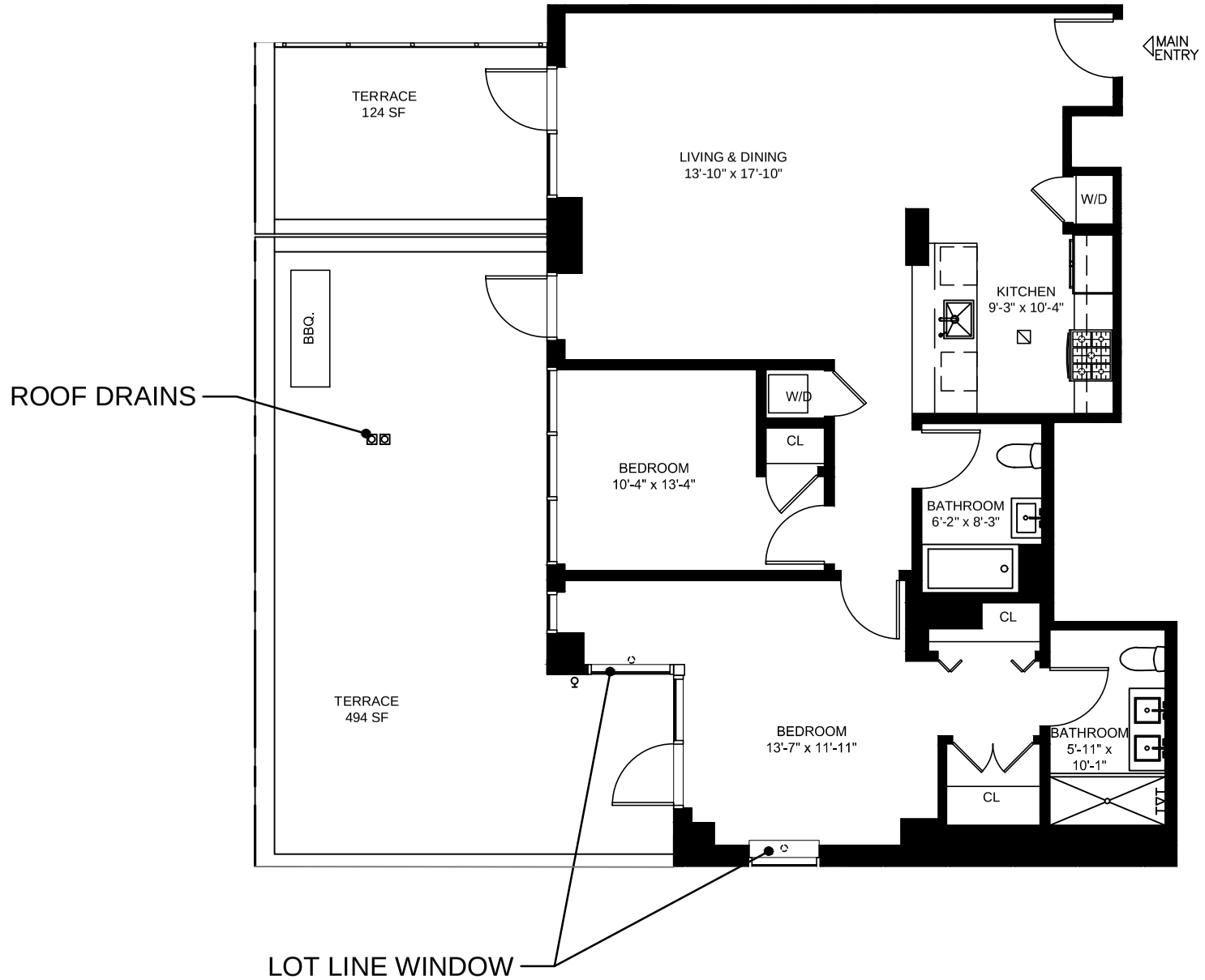
UNIT NUMBER	4C
UNIT SQ FOOTAGE	717
NO. OF BEDROOMS	1
NO. OF BATHROOMS	1
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	9'–0" 8'–0" 8'–0"

UNIT INFORMATION

P K
S + B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

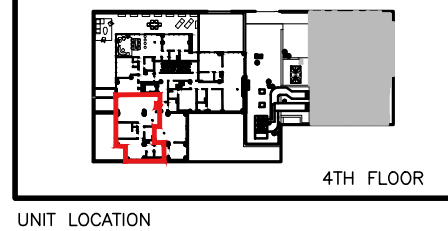
807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 4C



N

0'-0" 4'-0" 8'-0" 16'-0"



UNIT LOCATION

ALL AREAS AND DIMENSIONS SET FORTH ON THE PLANS ARE APPROXIMATIONS. THE ACTUAL AREAS AND DIMENSIONS MAY VARY. VARIATIONS IN CEILING HEIGHT MAY OCCUR DUE TO STRUCTURAL, MECHANICAL, ETC.

UNIT NUMBER	4D
UNIT SQ FOOTAGE	1227
NO. OF BEDROOMS	2
NO. OF BATHROOMS	2
CEILING HEIGHTS: MAIN BATHROOMS, CLOSETS KITCHEN	9'–0" 8'–0" 8'–0"
OUTDOOR SQ FOOTAGE	702 SF

UNIT INFORMATION

P + S K B
PKSB ARCHITECTS, PC
330 W42 STREET
NEW YORK NY 10036
212 594 2010

807 MANHATTAN AVENUE
(AKA 1080 LORIMER STREET)
BROOKLYN, NY 11222
8/28/2019

UNIT 4D

EXHIBIT E-1

ASBESTOS REPORT AND OPERATION & MAINTENANCE PLAN

bsi.

...making excellence a habit.

August 27, 2019

Georgios Avramides
Project Manager
SLATE Property Group
38 East 29th Street, 9th Floor
New York, New York 10016

RE: Asbestos Consulting Services
Private Building; 1080 Lorimer Street, Brooklyn, New York 11222

Dear Mr. Avramides,

BSI Services and Solutions (NYC) Inc. (BSI) was retained by SLATE Property Group, located at; 38 East 29th Street; 9th Floor, New York, New York 10016, to perform asbestos consulting and testing services at; 1080 Lorimer Street, Brooklyn, New York 11222. BSI is a full-service environmental consulting firm that has twenty-seven (27) years of experience specializing in asbestos consulting services.

The scope of work for this project was to perform a comprehensive building survey for asbestos containing materials which included bulk sample collection and laboratory analysis from building materials from the facility's Interior and Exterior. In addition, BSI performed third party project monitoring and air sampling in support of the asbestos abatement project at the facility.

The below table identifies the asbestos containing building materials remaining at 1080 Lorimer Street, Brooklyn, New York 11222, following the asbestos abatement project. Please refer to the attached Operation & Maintenance Plan prepared by Charles J. Cortalano, NYSDOL Project Designer License #05-09485, for recommendations in handling this asbestos containing material.

Summary of Asbestos-Containing Material Private Building 1080 Lorimer Street Brooklyn, New York 11222		
Material Description	**Material Location**	**Estimated Quantity of Material Present**
Waterproofing on Lintels/Horizontal Spandrel Beams/Vertical Structural Beams	Exterior; Façade; South Elevation	**2,280 SF**
Roofing System	Exterior; East Upper Roof	**6,180 SF**
Base Flashing		**5,800 SF**
Base Flashing	Exterior; East Lower Roof	**1,500 SF**
Total Estimated Quantity of ACM Identified		**15,760 SF**

Please contact me directly if you have any questions or concerns.

Best,

Charles J. Cortalano
Principal Consultant

BSI Services and Solutions (NYC) Inc.
141 W 36th Street
3rd Floor,
New York, NY 10018
+1 212.290.6323 (tel)
+1 212.290.6325 (fax)

EHS Services and Solutions

Asbestos-Containing Materials Operations & Maintenance Plan

Private Building

1080 Lorimer Street
Brooklyn, New York 11222

Prepared for:
SLATE Property Group
38 East 29th Street; 9th Floor
New York, New York 10016

August 27, 2019

Prepared by:

Ryan A. Baksh
EHS Professional
Ryan.Baksh@bsigroup.com

Reviewed by:

Charles J. Cortalano
Principal Consultant
Charles.Cortalano@bsigroup.com

Private and Confidential

...making excellence a habit.

August 27, 2019

Georgios Avramides
Project Manager
SLATE Property Group
38 East 29th Street; 9th Floor
New York, New York 10016
Phone: (646) 762-1421
Email: gavramides@slatepg.com

RE: Asbestos Consulting Services
Asbestos Operations & Maintenance Plan Review
Private Building; 1080 Lorimer Street, Brooklyn, New York 11222
Project # 18-08.438

Dear Mr. Avramides,

BSI Services and Solutions (NYC) Inc. (BSI EHS Services and Solutions) is pleased to submit this report to document the results of our Asbestos-Containing Material Operations & Maintenance (O&M) assessment located at 1080 Lorimer Street, Brooklyn, New York 11222

BSI EHS Services and Solutions appreciates your attention and consideration to this solicitation and further appreciates the opportunity to provide the Asbestos Consulting Services in affiliation with same. Please feel free to contact the undersigned at (212) 290-6323 should you have any questions or require any additional information.

Respectfully submitted,
BSI Services and Solutions (NYC) Inc. (BSI EHS Services and Solutions)

Charles J. Cortalano
Principal Consultant

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1.0 INTRODUCTION

The purpose of this Asbestos Operations and Maintenance (O&M) Program is to implement Practices and Procedures that safely maintain the existing Asbestos Containing Materials (ACM) at various locations throughout New York State.

This program adopts guidelines from the United States Environmental Protection Agency (EPA) "Managing Asbestos in Place - A Building Owner's Guide to an Operations and Maintenance Program for Asbestos Containing Materials", Occupational Safety and Health Administration (OSHA) regulations and local regulatory agency requirements. This manual is intended to provide the basis for the facility-specific implementation of the O&M program, based on existing asbestos investigations and laboratory analytical results for the facility.

All Asbestos Abatement work at the facility should be performed by a licensed Asbestos Abatement Contractor. All Asbestos Air Monitoring should be conducted by a licensed Asbestos Monitoring Consultant. At no time should the facility's maintenance and/or other personnel disturb, remove, enclose or encapsulate ACM.

This Asbestos O&M Program provides a detailed approach for controlling the disturbance of ACM. Moreover, it provides information to unlicensed personnel, whether it be a facility staff member or third-party contractor, whose duties may require them to work in close proximity to ACM.

1.1 Background of Asbestos

Asbestos is the common name for a group of naturally occurring mineral silicates, which are resistant to heat and chemicals. Due to its heat resistance, chemical resistance, durability and flexibility, Asbestos has been used in hundreds of different building and non-building related materials. During their commercial application, Asbestos minerals were found to be particularly useful as acoustical material, insulating agent, fireproofing, and strengthening additives for construction materials. While most uses of Asbestos have been banned, some Asbestos-Containing products remain on the market today. Typical uses of materials in buildings as well as other structures include: boiler/mechanical equipment insulation, architectural ceiling fixtures, ceiling fixtures, ceiling tile, floor tile, adhesives, textured paint, steam and water pipe insulation, electrical components and transite panels.

Health effects related to Asbestos exposure are mostly due to the inhalation of Asbestos fibers. Asbestos is a known carcinogen than can cause cancer in the lungs, larynx, trachea, and other parts of a body. Asbestosis and mesothelioma are also associated with Asbestos exposure. Asbestos diseases have a latency period ranging from 10 to 30 years after initial exposure.

1.2 Purpose of the Asbestos O&M Program

The purpose of this Asbestos Operations and Maintenance (O&M) Program is to implement Practices and Procedures that safely maintain the existing Asbestos Containing Materials (ACM) at the facilities. As such, this Asbestos O&M shall serve as a guidance document to assist in the facility's compliance with OSHA Regulations 29 Code of Federal Regulations (CFR) 1926.1101 and 29 CFR 1910.1001. In addition this plan shall serves as a means to implement a satisfactory approach to controlling the disturbance of ACM.

This program addresses those procedures and practices required to safely perform activities, such as:

- Monitoring of the condition of ACM.
- Performing emergency asbestos abatement.
- Overseeing the disposal of asbestos waste.

Moreover, this program is also designed to:

- Inform the facility's management and maintenance staff regarding the presence of asbestos in the facility and of precautions to be taken to prevent potential exposures.
- Provide proper training to maintenance workers.
- Provide necessary equipment to maintenance staff. (Applicable if friable ACM is identified at the facility.)
- Provide proper notification to the facility's third-party subcontractors on the presence and location of identified ACM.
- Establish schedules for periodic consultant surveillance activities.
- Provide guidelines for response to potential fiber-release episodes.
- Organize the documentation of these activities in conformance with applicable regulations and guidelines.

1.3 Summary of O&M Program

The O&M program implemented by these facilities is composed of the following elements:

- Maintenance Personnel and Employee training
- Addressing low, moderate, high and immediate hazards
- Normal maintenance activities
- Activities conducted by the facility's third-party subcontractors
- Minor fiber release episodes
- Major Fiber release episodes
- Monitoring the condition of ACM
- Proper disposal of asbestos wastes
- Record keeping and the provision of applicable information to the facility's management and maintenance staff

2.0 PARTICIPATION AND ROLE DEFINITION

The success of this O&M Program depends on the active participation of the facility's management, employees, maintenance personnel, and third-party subcontractors. Each person associated with the above-referenced entities should clearly know their role within the program. Participation and role definition for this O&M Program are as follows:

2.1 O&M Program Coordinator/Asbestos Program Manager

The director of this O&M Program or the O&M Program Coordinator shall be considered the Asbestos Program Manager (APM). The APM will implement the facility's O&M Program through the procurement of licensed Asbestos Abatement Contractors and licensed Asbestos Monitoring Consultants to perform all asbestos related activities at the facility. The APM for the facility, as designated by this document, shall be responsible for minimizing the risks caused by the presence of ACM within the facility through proper implementation and execution of the O&M Program.

Activities which involve the disturbance of ACM should be brought to the attention of the APM. Activities involving disturbance or potential disturbance to ACM should be documented by the APM immediately upon their occurrence.

All information regarding the identification of known or suspected ACM in an existing facility, or information relevant to a proposed new facility, must be maintained by and reported to the APM. The APM will provide for amendment, if necessary, of this O&M Program to reflect new information and to disseminate information to the appropriate parties.

In, addition, the APM is responsible for serving as the contact for outside contractors performing maintenance, repair, or renovation work at the building with regard to the locations and conditions of known ACM present

within the facility. Further, the APM shall be the primary contact for employees and occupants that may have questions regarding ACM and/or the O&M Program.

The facility's APM shall maintain at a minimum, a New York State Department of Labor (NYCDOL) 40-hour Asbestos Abatement Supervisor license.

The APM for the facility has been designated as:

To Be Determined

The Licensed Asbestos Monitoring Consultant for the facility has been designated as:

BSI Services and Solutions (NYC) Inc.
141 West 36th Street, 3rd Floor
New York, New York 10018
Phone: (212) 290-6323
Fax: (212) 290-6325
Contact: Charles J. Cortalano

2.2 On-Site Management Personnel

On-site management should serve as a liaison between the maintenance personnel and the APM. The on-site managers should also assist engineering personnel with question or tasks related to ACM and immediately contract the APM, should a problem arise.

2.3 Engineering Personnel

Engineering personnel are the employees who perform engineering and maintenance work within the facility. As part of this O&M Program, the APM shall assure that all engineering personnel working within the facility complete at least a two (2)-hour Asbestos Awareness Training which includes recognition and handling of ACM. This is the most basic level of training, and is required for engineering, custodial, and maintenance employees working in a building containing ACM or Presumed Asbestos-Containing Materials (PACM).

As outlined above, all engineering personnel should notify the on-site management immediately if they discover, accidentally disturb or damage ACM or material they believe to be ACM (PACM).

2.4 Asbestos Abatement Contractor

An independent, licensed Asbestos Abatement Contractor shall perform all work in the facility that involves abatement, encapsulation, disturbance containment, spot removal, minimization cleaning and disposal of ACM or that otherwise requires such contractor to be licensed under applicable state and federal laws to perform the work in an area containing ACM. The Asbestos Abatement Contractor must be licensed and should furnish a copy of such license to the APM. The APM shall be required to maintain all licensed Asbestos Abatement Contractor documentation on file at the facility. Each Asbestos Abatement Contractor should perform their work in the facility in accordance with this O&M Program as well as in accordance with applicable local, state and federal laws, rules and regulations.

2.5 General Contractor or Third-Party Subcontractor

A General Contractor or Third-Party Subcontractor is an independent contractor, other than the Asbestos Abatement Contractor, whether employed by the facility or another contractor and is engaged to perform work in the form of construction, alteration, demolition or other work in the building. During the course of their contract requirements, the General Contractor or Third-Party Subcontractor may come into a contact with ACM or otherwise disturb ACM in a building. As such, all Contractors are required to report to the APM prior to beginning any work in building. Furthermore, the scope of the work to be performed by the Contractor should be discussed with the APM and an authorization to proceed shall be provided by the APM.

(i) Contractors should not perform any work in any portion of the building containing ACM unless the APM or the licensed Asbestos Monitoring Consultant have determined that the Contractor's work, if properly performed, will not disturb the ACM.
(ii) Contractors should not disturb, damage, perform repairs involving ACM or material believed to be ACM.
(iii) If ACM is disturbed, the APM and/or the licensed Asbestos Monitoring Consultant should be immediately notified.

2.6 Licensed Environmental Consultant/Licensed Asbestos Monitoring Consultant

A licensed Environmental Consultant and/or a licensed Asbestos Monitoring Consultant is an independent firm that is certified to inspect, investigate and survey building materials for the presence of ACM, design specifications for the proper abatement of ACM and conduct project monitoring activities during the abatement of ACM. The consultant shall advise the APM in recommended techniques and procedures in dealing with activities that may disturb ACM. The consultant shall advise the APM on modifications to this program and to the extent necessary, works as a liaison between the APM and contractors.

The consultant shall coordinate with and observe the work of the Asbestos Abatement Contractor to the extent necessary to see that work of is performed in compliance this O&M Program as well as in accordance with applicable local, state and federal laws, rules and regulations.

The consultant may also conduct education and training programs outlined under this program and perform periodic visual inspections of the ACM in the building.

The consultant shall be available on as needed basis to advise and assist the APM and to answer questions regarding the Asbestos Survey or specific questions regarding this program.

3.0 ASBESTOS INDENTIFICATION

As part of this program, it is required that the APM and the facility's licensed Asbestos Monitoring Consultant to make reference to the previous Asbestos Survey Reports and Asbestos Abatement Reports prior to the commencement of any construction, demolition, alteration or abatement activities. The above-referenced program and reports are to be maintained by the facility's APM.

Although asbestos surveys may have been previously conducted at the facility, it cannot be guaranteed and does not warrant that these surveys have revealed all ACM present within the facility. As such, materials may be encountered in the facility which were not sampled or identified in the Asbestos Survey Reports. Due care must be exercised in order not to disturb these materials until they are sampled and analyzed for Asbestos. If a material is tested positive for Asbestos, it must be handled only by a licensed Asbestos Abatement Contractor.

3.1 Friable ACM

Any materials that contain more than 1% Asbestos by weight and can be crumbled, pulverized, or reduced to powder by hand pressure.

3.2 Non-Friable ACM

Any materials that contain more than 1% Asbestos by weight and cannot be crumbled, pulverized, or reduced to powder by hand pressure.

3.3 Presumed ACM

Any suspect materials that are untested and must be presumed to contain Asbestos (PACM) until laboratory testing rebuts this designation.

In accordance with accepted practices, PACM must be tested prior to renovation, demolition, or any activities that may disturb the material.

4.0 AIR MONITORING

4.1 Background Air Monitoring

It should be noted that the United States Environmental Protection Agency (USEPA), New York State Department of Labor (NYSDOL) and New York City Department of Environmental Protection (NYCDEP) "clean air level" is currently at below 0.01 fibers per cubic centimeter of air (f/cc) by Phase Contrast Microscopy (PCM). If this level is exceeded during background air monitoring, then Transmission Electron Microscopy (TEM) air samples should be collected and analyzed. Should the TEM samples be above the current aforementioned "clean air level" (70 structures), then the area should be decontaminated by a qualified, licensed Asbestos Abatement Contractor.

4.2 Employee/Personal Air Monitoring

Maintenance and custodial personnel shall be monitored for potential Asbestos exposure, if during the course of their daily activities they disturb the ACM. This monitoring should be conducted by the facility's licensed Asbestos Monitoring Consultant.

Samples collected during these monitoring activities shall be analyzed using PCM as required by the National Institute for Occupational Safety and Health (NIOSH) Consulting Method 7400. The analytical laboratory utilized for analysis of the samples should be a successful participant in the NIOSH Proficiency Analytical Testing (PAT) program. Results of the air samples will be made available to maintenance workers and should be retained by the APM to be included in this program.

5.0 EVALUATION OF EXISTING MATERIAL CONDITIONS

The identified ACM at the facility has been prioritized according to condition, location and potential for damage for fiber release. The priorities are divided into the following categories:

- Low Hazard – Non-Friable ACM in good condition with low potential for disturbance.
- Moderate Hazard – Non-Friable or Friable ACM in good condition that have a moderate potential for disturbance or damage to make them friable and release Asbestos fibers into the air.
- High Hazard – Friable ACM in poor condition, and/or likely to be disturbed by air currents, water damage, construction, or other activities such to distribute airborne Asbestos fibers.
- Immediate Hazard – Friable ACM in severely damaged condition, and likely to be disturbed by air currents, water damage construction, or other activities such to distribute airborne Asbestos fibers.

Under the PACM designation of this program, any untested materials should be sampled prior to renovation, demolition, or maintenance activities that might disturb the materials.

All demolition, renovation, maintenance, repair, or removal activities shall be performed in accordance with this O&M Program as well as in accordance with applicable local, state and federal laws, rules and regulations

5.1 Addressing Low Hazard Materials

Low Hazard materials should be maintained in-place and be periodically re-inspected and re-classified, as necessary. If these materials become damaged and require the renovations and/or repairs, such work should be conducted by a licensed Asbestos Abatement Contractor under the supervision of a licensed Asbestos Monitoring Consultant.

5.2 Addressing Moderate Hazard Materials

The guideline for addressing Moderate Hazard Materials is similar to the guidelines addressing Low Hazard Materials. In addition, special precaution should be taken not to disturb the materials, if maintenance activities require work to be conducted in close proximity to the ACM/PACM.

5.3 Addressing High Hazard Materials

The guideline for addressing High Hazard Materials is similar to the Moderate Hazard Materials guidelines. The High Hazard Materials should be repaired and/or removed by a licensed Asbestos Abatement Contractor under the supervision of a licensed Asbestos Monitoring Consultant.

During the repair work of greater than ten (10) square feet or twenty-five (25) linear feet of High Hazard Material, or during renovation or abatement activities, the following should be conducted:

- Asbestos warning signs shall be posted on doors leading to the affected areas.
- Only properly trained and licensed personnel, using appropriate personal protective equipment (PPE), should be allowed to work in these areas. Unnecessary work in these areas should be avoided until abatement and/or proper decontamination can be performed.
- Any ACM removed, or materials that have come into contact with the ACM, and have potentially become contaminated with Asbestos, such as cleaning cloths, water, etc., should be double bagged in properly labeled Asbestos disposal bags and disposed of as asbestos waste.

In addition, during small repair work on-site, properly trained personnel may establish a restricted area to store ACM as long as the area is secured and the ACM is stored in the proper containers (i.e. double bags or drums). This area should be approved by the APM and inspected by the licensed Asbestos Monitoring Firm.

5.4 Addressing Immediate Hazard Materials

The guidelines addressing High Hazard Materials should be followed when addressing materials classified as an Immediate Hazard. In addition, materials should be repaired and/or removed by a licensed and qualified Asbestos Abatement Contractor under the supervision of a licensed Asbestos Monitoring Consultant.

6.0 TRAINING

Asbestos Awareness training shall be taken by all on-site management personnel, engineering personnel, maintenance personnel and all other personnel whose duties and responsibilities may cause them to work in close proximity to ACM. The awareness level training covers the health effects of asbestos, types of asbestos, recognition of damaged or deteriorated Asbestos-Containing Materials (ACM), work practice requirements to avoid disturbance of ACM and proper response to fiber release episodes as per 29 CFR 1910.1001 and 29 CFR 1926.1101 (OSHA regulation) and United States Environmental Protection Agency (USEPA) 40 CFR 763 regulation.

This training does not allow for the disturbance or removal of any type or quantities of ACM.

6.1 Awareness Training

The topics covered in this training include:

- Asbestos forms and uses
- USEPA, OSHA, NYSDOL and NYCDEP regulations regarding Asbestos
- Identification and location of ACM at the building
- Health effects associated with Asbestos exposure
- Recognition of potentially hazardous conditions including damage and deterioration to ACM
- Procedures for reporting hazardous or potentially hazardous situations associated with the ACM to the O&M Program Coordinator
- Review of the O&M programs
- Awareness Quiz

In accordance with USEPA and OSHA regulations, this training should be approximately two hours. Awareness training should be conducted for each new employee, and repeated annually.

7.0 WORKER PROTECTION

Various worker protection programs and guidelines are required to be implemented as part of the facility's O&M Program. These include the following:

- Establishment of a Medical Surveillance Program
- Establishment of a Respiratory Protection Program
- Use of Personnel Protective Clothing and Equipment

The following sections outline these various worker protection programs and guidelines.

7.1 Medical Surveillance Program

OSHA regulations require the implementation of a medical examination and consultations for all employees who are engaged in Asbestos work for a combined total of thirty (30) or more days per year or; are exposed at or above the permissible exposure limit (PEL) or excursion limit (EL) and for employees who wear negative pressure respirators.

These examinations are required to be repeated at least annually thereafter.

On-Site Management, Engineering and Maintenance personnel are not expected to be exposed at or above the PEL during their normal workday.

OSHA regulation 29 CFR 1926.1101 outlines the requirements and components of Medical Surveillance Programs.

A Medical Surveillance Program is required by OSHA for employees who wear a respirator. A baseline examination, annual examination for the duration of employment and a termination examination are all elements of a Medical Surveillance Program.

The medical examination should include an occupational environmental history, chest x-ray, a medical history to determine the presence of any possible respiratory diseases and pulmonary function evaluations. In addition, during initial examination, OSHA requires that a standardized questionnaire be complete.

The examining physician can be found in the yellow pages under Occupations or Industrial Physicians, or though one of the Medical Referral Services. When contacting a physician, inform them the type of examination require and determined whether or not the physician is familiar with OSHA regulations.

The examining physician will be asked to sign a statement, that the medical examination given is consistent with OSHA requirements and the examined employee is physically able to perform the require work, which may include wearing an air-purifying respirator. The examining physician should also be provided a copy of the OSHA Initial Medical Questionnaire, the full OSHA Regulation and the statement by a Medical Doctor.

Records should be maintained on file for at least 30 years and be available to each employee participating in the Medical Surveillance Program. Copies of medical records should be stored separately from personnel files and access to these medical records should be restricted to only designated personnel.

The examining physician should be notified that he or she will be the primary holder of medical records and the records should contain the hard copy of the x-ray. Prior to the disposal of any of these records, the APM should be notified.

The facility's licensed Asbestos Monitoring Consultant may be able to assist in facilitating the medical examination process.

7.2 Respiratory Protection Program

7.2.1 Introduction

A written Respiratory Protection Program must be established in accordance with the respiratory protection requirements of OSHA Regulations 29 CFR 1910.1001 and 29 CFR 1926.1101.

During activities involving potential disturbance of ACM, where employees may be exposed to the elevated concentrations of Asbestos fibers for short periods of time and implementation of feasible engineering and/or administrative controls may not be feasible, as an alternative, the employer may provide respiratory protection equipment. The Respiratory Protection Program provides operating procedures for respiratory protection.

7.2.2 Designation of a Program Administrator

The Respiratory Protection Program Administrator is responsible for the implementation of, and adherence to the provisions of the Respiratory Protection Program. For the purpose of this document, the Respiratory Protection Program Administrator will be the APM.

7.2.3 Selection and Use of Respiratory Protective Equipment

Respirators used should be selected from those approved by the Mine Safety and Health Administration (MSHA) and NIOSH for use in atmospheres containing Asbestos fibers. Numerous brands and sizes should be available for employees to select. A MSHA/NIOSH approved filters should have labels, which would indicate limitations and identify the component parts approved for use with the basic unit.

Single-use or disposable respirators are not to be used.

The approved respirators are as follows:

a. Air-Purifying Respirators: When the eight (8)-hour time weighted average (TWA) airborne concentrations of Asbestos fibers are reasonably expected to not exceed the OSHA PEL as defined in 29 CFR 1910.1001 and 29 CFR 1926.1101 as eight hour TWA of 0.1 f/cc, average over a sampling period of 30 minutes, then a reusable air-purifying respirator or a powered air respirator (PAPR) should be used to reduce the concentration of airborne Asbestos fibers inside the respirator below the eight hour, TWA and NIOSH-recommended exposure limit of 0.1 fibers/cc and/or the Short Term Exposure Limit (STEL) of 1.0 f/cc.

b. Powered Air-Purifying respirators (PAPR): When the eight (8)-hour, TWA Concentration of Asbestos of Asbestos fibers are reasonable expected to not exceed more than 10 times the OSHA eight-hour TWA PEL of 0.1 f/cc and when short term airborne concentrations of Asbestos fibers are reasonably expected not to exceed the OSHA STEL as defined in 29 CFR 1910.1001 and 29 CFR 1926.1101 as 1.0 f/cc average over a sampling period of 30 minutes, then full face piece PAPR should be used to make the fiber concentration inside the respirator below the eight (8)-hour, TWA and NIOSH-recommended EL of 0.1 fibers/cc and/or the STEL of 1.0 f/cc.

   It should be noted that if eight (8)-hour TWA concentrations are expected to exceed 0.1 f/cc other respirator protection may be necessary.

7.2.4 Potential Hazards from Asbestos

For the purpose of this program, the only hazard considered is airborne Asbestos fibers. Accordingly, during any Asbestos abatement project directly disturbing material, which is known to contain Asbestos, proper respirators should be worn. During maintenance, clean-up and waste removal activities where persons may disturb Asbestos, workers should wear air purifying respirators. As outlined herein, any activity that will result in the disturbance of ACM shall be conducted by the facility's licensed Asbestos Abatement Contractor.

7.2.5 Surveillance

Only those individuals who are medically able wear respirator protective equipment shall be issue such equipment. Before being issued a respirator, the employee should receive pertinent tests for medical and physical conditions. Medical tests to be considered by a physician include: pulmonary function tests, chest x-rays and other deemed appropriate by the examining physicians. Medical factors considered by a physician include: emphysema, asthma, chronic bronchitis, heart disease, anemia, hemophilia, poor eyesight, poor hearing, hernia, lack of use of fingers or hands. Epileptic seizures and other factors which might inhibit the ability of an employee to wear respiratory equipment should also be considered.

7.2.6 Respirator Fit Tests

Each employee determined medically fit to wear a respirator should be qualitatively fit-tested upon receiving the equipment and tested semi-annually thereafter. The type of fit test conducted depends on the respirator type. The manufacture's literature should be consulted to determine the proper fit-test.

Problems in fitting a respirator may result if facial hair, corrective lenses with temple or straps or other facial characteristics of apparatus prevent a good seal from forming between the skin and sealing surface. Therefore, corrective lenses that have temple bars or straps should not be used when a full-face respirator is worn. An adapter kit to accommodate eyeglasses may be purchased from the manufacturer. Contact lenses should not be worn while wearing a respirator. A properly fitted respirator may stretch the skin around the eyes, thus increasing the possibility that the contact lens may fall out. A respirator should not be used if a good seal cannot be formed between the skin and sealing surface.

7.2.7 Respirator Assignment and Maintenance

Respirators should be assigned to individual workers for their exclusive use. A system of record keeping should be established to document employees who have respiratory protection equipment and the regular inspection of this equipment.

Respirators should be regularly cleaned and disinfected. An outline of this procedure is described as follows:

1) Before leaving the work area, each user should "wipe down" the respirator with a wet cloth to remove possible ACM which may have settled on the equipment.
2) Respiratory equipment should be washed with detergent in warm water using a brush. Detergents containing a bactericide should be used. Organic solvents should not be used, as they may deteriorate the facepiece. The detergent wash should be followed with a disinfecting rinse. Two types of disinfectants may be made from readily available household solutions. A hypochlorite solution (50 ppm) can be made by adding two tablespoons of chlorine bleach to one gallon of water. An aqueous solution of iodine (50 ppm) can be made by adding one teaspoon tincture of iodine to one gallon of water. A two-minute immersion of the respirator into either solution should be sufficient for disinfection.
3) Respiratory equipment should be thoroughly rinsed in warm clean water to remove traces of detergent, cleaner and sanitizer, and disinfectant.
4) Respiratory equipment should be allowed to air dry on a clean surface.

When not in use, clean respiratory equipment must be sealed in plastic bags and stored with the facepiece and valves in a non-distorted position. A metal cabinet with shelves is well suited for this purpose.

Repair or replacement of component parts should be done by qualified individuals. Substitution of parts from a different brand or type of respirator will invalidate the approval of the respirator.

Inspection for defects in respiratory equipment should be done before and after each use and during cleaning. The primary defects to look for in the inspection of component parts of the respiratory equipment and corrective actions where appropriate are itemized below:

1) Rubber facepiece – check for:
   - excessive dirt – clean all dirt from facepiece
   - cracks, tears, or holes – obtain new facepiece

- distortion – allow facepiece to "sit" free from any constraints and see if distortion disappears; if not, obtain new facepiece, and for cracked, scratched, or loose fitting lenses – contact respirator manufacturer to see if replacement is possible; otherwise obtain new facepiece.

2) Headstraps – check for:
- breaks or tears – replace headstraps
- loss of elasticity – replace headstraps
- broken or malfunctioning buckles or attachments – obtain new buckles, and
- facepiece slipping – replace headstraps.

3) Inhalation valve, exhalation valve – check for:
- detergent residue, dust particles, or dirt on valve or valve set – clean residue with soap and water
- cracks, teas, or distortion in the valve material or valve seat – contact manufacturer for instructions
- missing or defective valve cover – obtain valve cover from manufacturer.

4) Filter elements – check for:
- proper filter for the hazard
- approval designation
- missing or worn gaskets – contact manufacturer for replacement
- worn threads – both filter threads and facepiece threads – replace or repair facepiece, whichever is applicable
- cracks or dents in filter housing – replace filter, and
- missing or loose hose clamps – obtain new clamps.

7.2.8 Respiratory Training Program

A training session with required employee attendance, should be conducted by the facility's licensed Asbestos Monitoring Consultant or other qualified personnel to ensure that employees understand the limitations, use and maintenance of respiratory equipment as well as other important aspects of the Respiratory Protection Program.

7.2.9 Surveillance of Working Conditions

Air sampling should be conducted before, during and after selected projects requiring respiratory equipment. Respiratory equipment used should be suitable for the Asbestos concentrations expected to occur in the work area. Employees should be instructed to immediately leave the work area should they experience physical stress such as difficulty in breathing or dizziness.

7.2.10 Respiratory Program Supervision

The Respirator Program should be evaluated at least annually with program adjustments, as appropriate, made to reflect the evaluation results. Compliance with the following points of the program should be reviewed; respirator selection, purchase of approved equipment, medical screening of employees, fit-testing, issuance of equipment and associated maintenance, storage, repair, inspection and appropriate surveillance of work area conditions.

Attention should be given to proper record keeping regarding the Respirator Program Supervision. Records which should be kept include: a list of the employees who are trained in respirator use; documentation of the care and maintenance of respirators; medical records of each respirator user; airborne concentrations of Asbestos fiber before, during and after work is conducted; and any problems encountered during renovation activities.

7.3 Personal Protective Clothing and Equipment

A variety of other safety and personal protective equipment (PPE) may be required as part of this O&M Program. This equipment would be used for work activities that create a potential for ACM disturbance and includes the following items:

- Disposable coveralls with hoods and booties
- Impervious gloves, such as PVC, nitrile, or polyethylene
- HEPA-filtered vacuum
- Six (6)-mil waste disposal bags with appropriate labels
- Six (6)-mil polyethylene sheeting (used as drop cloths and barriers)

8.0 ABATEMENT PROCEDURES

Under no circumstances shall an employee or contractor of this facility intentionally remove ACM until they have received Abatement Worker Training and are properly licensed in accordance with local, state and federal regulations.

If ACM or suspect ACM is found in an area where work is to be performed, the APM should be notified and the potential for disturbance of the ACM should be evaluated by the APM prior to any maintenance work.

The work area should be inspected for ACM prior to the work that has the potential to disturb suspected ACM. The APM will be responsible for either designating the affected area(s) as Asbestos free or develop procedures to limit the disturbance of any identified ACM.

If material is suspected of being ACM and is disturbed, fallen or displaced, appropriate decontamination should be conducted. This includes High Efficiency Particulate Air (HEPA) vacuuming and wet wiping of contaminated surfaces as necessary. This procedure shall be conducted by the facility's licensed Asbestos Abatement Contractor.

The following describe general guidelines for the Asbestos Abatement activities. If the activity is not described in this section, then the APM should conduct an inspection and designate the appropriate precautionary measures.

- Do not disturb or damage materials that are suspected of or known to contain Asbestos or deemed to be contaminated with Asbestos.
- Under no circumstances should removal of ACM be undertaken without utilizing a licensed asbestos abatement contractor. In addition, the removal of ACM should not be undertaken without proper procedural review and appropriate precautions to prevent exposure and contamination of adjoining areas.

The areas of damaged ACM should be repaired as by a licensed asbestos abatement contractor. It is the responsibility of the aforementioned contractor to:

- Wear proper protective clothing and respiratory protection.
- Limit access to the area.
- Thoroughly wet the debris with amended water and double bag the ACM in appropriately labeled Six (6)-mil Asbestos disposal bags to await proper disposal.
- Repair the damaged areas with a non-Asbestos material, or sealed with an encapsulating material.
- Debris, cleaning materials, filters, etc. should be disposed of as Asbestos waste.

Remodeling or renovation work to be performed should be discussed and approved by the facility's APM. The APM should evaluate all Asbestos activities and proper actions should be taken to alleviate any potential fiber release prior to conducting work. If necessary, further sampling and analysis of suspect materials may be required to verify Asbestos content.

If at any time, unknown materials are encountered, work should stop immediately and the APM should be notified. Upon review of the inspection report, if the Asbestos content of the material is still unknown, it should be assumed to be ACM until laboratory analysis yields otherwise.

Renovation, maintenance, construction or other activities that may disturb ACM should be approved by the APM. The following steps should be followed if these activities are scheduled, by a licensed asbestos abatement contractor:

- Restrict access to the work area by posting warning signs and erecting barriers.
- Workers should use appropriate personal protective equipment, including respirators and disposable clothing.
- A HEPA vacuum should be available to clean up debris that may be created.
- Wet methods should be used to clean up the possible release of fibers.
- Asbestos debris and cleaning materials should be disposed of as Asbestos waste.
- Air monitoring should be conducted to document airborne fiber levels, unless a documentation history of airborne fiber levels below 0.1 f/cc has been established for the type of work being conducted.

9.0 WORK BY OUTSIDE CONTRACTORS

Outside contractors and/or third-party subcontractors performing maintenance, repair or renovation work at the facility are required to meet with the APM before performing any work.

Outside contractors and/or third-party subcontractors should review the information about the locations of ACM that they might come in contact with, examine the Asbestos Survey Report and this O&M Program. Outside contractors and/or third-party subcontractors are required to follow proper work procedures to minimize potential disturbance to ACM. Such work procedures should be outlined and approved by APM.

Contractors and third-party subcontractors, other than approved, licensed and qualified asbestos abatement contractors, are not authorized, nor permitted to disturb any ACM at the facility.

At no time should management, engineering and/or maintenance activities directly affecting the ACM be performed by untrained or unlicensed personnel. The above-referenced activities should be approved by the APM. This includes activities conducted by employees, contractors and/or third-party subcontractors of the building.

10.0 RELEASE EPISODES

10.1 Minor Fiber Release Episode

A minor release episode is defined as “the falling or dislodging of three (3) square feet or less of ACM”. The following steps should be taken in the event of minor fiber release episode:

- Access to the area should be restricted.
- ACM debris should be thoroughly wetted with amended water and double-bagged in properly labeled Six (6)-mil Asbestos disposal bags.
- The damaged area should be repaired with a non-Asbestos material or sealed with an encapsulating material.
- Debris, cleaning materials, filters, etc. should be disposed of as Asbestos waste.

A minor fiber release episode should be reported to the APM immediately. The APM is required to maintain records indicating the date of the release, the areas affected, actions taken and chain-of-custody manifests for the disposal of the waste materials generated.

Each of the tasks outlined above are to be conducted solely by a licensed asbestos abatement contractor.

10.2 Major Fiber Release Episode

A major fiber release episode is defined as “the falling or dislodging of more than three (3) square feet of ACM”. The following steps should be taken in the event of a major fiber release episode:

- To the extent possible, the area in question should be secured and sealed utilizing polyethylene sheeting as necessary. Individuals not directly involved in the maintenance work should leave the area. The Heating,

Ventilation and Air Conditioning (HVAC) system should be shut down and secured to prevent distribution of fibers generated during the episode. Clean-up and/or abatement activities, as needed, should be performed only by a licensed and approved asbestos abatement personnel.

- The facility's APM should be contacted immediately. An inspection and report of the episode specifying actions taken should be recorded.
- Persons entering the area should wear two disposable coverall and an approved air purifying respirator with HEPA cartridges.
- After completion of the work, the outer coverall should be removed before leaving the secured and sealed area. The outer coverall should then be placed with other contaminated materials in an appropriately labeled Six (6)-mil Asbestos disposable bag.
- The inner coverall should be HEPA vacuumed and wet wiped. Personnel that enter the work area shall then proceed to a change room or to an area deemed "clean" (i.e. uncontaminated).
- Upon task completion, ladders and tools should be wet wiped while inside the secured and sealed area. Rags should be disposed of with other contaminated equipment in appropriately labeled Six (6)-mil Asbestos disposal bags. All waste materials should be double-bagged.
- Additional Asbestos related precautions may be necessary and can be provided by the APM. Precautions to prevent personnel exposure and contamination of adjacent areas should be utilized.

Each of the tasks outlined above are to be conducted solely by a licensed asbestos abatement contractor.

11.0 PERIODIC SURVEILLANCE

The condition of the ACM should be inspected and noted by the facility's licensed Asbestos Monitoring Consultant.

Routine monitoring of the conditions of materials should be performed periodically by the maintenance personnel. This will serve to re-evaluate the condition of the materials with regard to changes in friability and potential fiber release.

Conditions, such as damage due to physical abrasion, vandalism, or water damage should be observed and documented, and appropriate response actions delineated. This documentation should include notes, photographs and written reports which should be kept in the records held by the APM. In addition, ACM that has been abated should also be noted.

12.0 DISPOSAL PROCEDURES

Asbestos waste should be thoroughly wetted and double-bagged in appropriately labeled Asbestos disposal bags. Bags should be sealed airtight while the material is still wet. Bag tops should be twisted and sealed with duct tape, then bent over and sealed again with at least three (3) wraps of duct tape. If waste materials are not immediately disposed of, properly trained personnel may establish a restricted area to store ACM as long as the area is secured and the ACM is stored in the proper containers (i.e. double bags or drums).

Additional material should not be added to bags, and bags should not be reopened after they have been sealed.

Asbestos waste should be transported in a covered truck by a properly licensed hauler and disposed of in a landfill approved for Asbestos.

13.0 NOTIFICATION AND WARNING

13.1 Employee and Occupants Notification

As required by applicable Federal, State and/or local laws and regulations, SLATE Property Group will inform occupants about the location and physical condition of ACM that may be disturbed by posting signs or labels in a central location

where affected occupants can see them, or by holding awareness or information sessions. Labels, where necessary, will be prominently displayed and remain posted until ACM are removed. Specifically, labels will be placed on doors outside entrances to mechanical areas where ACM is known or suspected to exist. This labeling will serve to alert and remind Maintenance Personnel and outside contractors of the presence of ACM so they may avoid inadvertently disturbing the ACM.

The warning label print should be readily visible, in large letter size, or a bright color. The label should read as follows:

CAUTION

ASBESTOS
CANCER AND LUNG DISEASE HAZARD
DO NOT DISTURB WITHOUT
PROPER TRAINING AND EQUIPMENT

Warning signs should also be posted in areas where the airborne fiber concentrations can be reasonably expected to exceed the OSHA PEL of 0.1 f/cc. They serve to prevent unprotected individuals from entering those areas. The warning signs should read as follows:

DANGER

ASBESTOS
CANCER AND LUNG DISEASE HAZARD
AUTHORIZED PERSONNEL ONLY
RESPIRATORS AND PROTECTIVE CLOTHING
ARE REQUIRED IN THIS AREA

If during removal and repair operations, airborne fiber concentrations are not reasonably expected to exceed the OSHA PEL, OSHA signs are not required. However, warning signs should be affixed to barriers to warn any bystanders of the potential danger in the area. The signs should read as follows:

POTENTIAL ASBESTOS
HAZARD AREA

DO NOT ENTER

During asbestos remediation performed by trained personnel, the APM shall be responsible for posting signs as required by OSHA regulations. The Independent Asbestos Consultant will be available to provide assistance to the APM in these tasks.

13.2 Regulatory Agency Notification

Under 40 CFR Part 61, national Emission Standards for Hazardous Air Pollutants (NESHAPS), the APM will notify the USEPA at least ten (10) days in advance of an abatement project involving more than 160 square feet of friable ACM. If it is an emergency situation, the agency need not be notified in advance but must be notified no more than forty-eight (48) hours after the project begins. The requirements for notification is reduced to cover

projects of three square feet of friable material of the work will involve state or local government employees. The following information should be supplied:

- Name and address of the building owner or manager
- Description, size, and location of the building
- Name and address of the abatement contractor
- Estimated amount of regulated ACM to be removed
- Scheduled starting and completion dates of ACM removal
- Description of the planned removal and containment methods
- Name, address, and location of disposal site

In addition to the United States Environmental Protection Agency (USEPA), the local environmental management offices must also be notified and proper documentation forms completed, specifically:

- ❖ New York State Department of Labor (NYSDOL)
- ❖ New York City Department of Environmental Protection (NYCDEP).

14.0 RECORD KEEPING

Records related to this O&M Program, or any Asbestos related matter, should be maintained by the APM for at least 30 years. This information includes:

- Attendance sheets and other records of training activities related to Asbestos, including copies of certifications and accreditation.
- Records of all Asbestos Abatement projects completed at the facility.
- Records of outside contractors working with ACM.
- Disposal records for all materials disposed of as Asbestos waste
- Records of inspection and re-inspection of ACM, including written notes and photographs.

15.0 SITE LOCATIONS

The following locations are covered by this Asbestos Operations and Maintenance Plan:

- 1080 Lorimer Street, Brooklyn, New York 11222

16.0 CERTIFICATION OF THE ASBESTOS OPERATIONS AND MAINTENANCE PLAN

Signature below indicates that the above Asbestos Operations and Maintenance Plan has been read and understood.

Name of Owner's Representative (Print): _____

Title: _____

Signature of Owner's Representative: _____

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EXHIBIT F TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

DECLARATION AND BY-LAWS

AMENDED AND RESTATED DECLARATION

(A/K/A SECOND AMENDMENT TO ORIGINAL DECLARATION)

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name
807 Manhattan Avenue Condominium
807 Manhattan Avenue
Brooklyn, New York 11222

Sponsor
807 Manhattan Avenue LLC
c/o Slate Property Group
38 East 29th Street-9th Floor
New York, New York 10016

Date of this Amended and Restated Declaration

As of _____, 2020

The land affected by the within instrument lies in Block 2596 formerly known as Lot 1002, now known as Lots 1001, 1003 to 1031 on the Tax Map of the Borough of Brooklyn, City of New York

Record and Return To:
Abrams, Fensterman, Fensterman, Eisman, Formato, Ferrara, Wolf & Carone, LLP
Attorneys for Declarant
1 MetroTech Center-Suite 1701
Brooklyn, New York 11201
(718) 215-5300
Attention: Lawrence F. DiGiovanna, Esq.

AMENDED AND RESTATED DECLARATION
(a/k/a Second Amendment to Original Declaration)

OF

807 MANHATTAN AVENUE CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

This Amended and Restated Declaration (a/k/a Second Amendment to Original Declaration) of 807 Manhattan Avenue Condominium is made as of this ___ day of _____, 2020, by 807 Manhattan Avenue LLC, a Delaware limited liability company, having an office c/o Slate Property Group, 38 East 29th Street, 9th Floor, New York, New York 10016, hereinafter "Sponsor."

WITNESSETH

WHEREAS, 807 Manhattan Holding LLC and 807 Manhattan Avenue LLC (collectively, "Original Declarant") executed a Declaration of Condominium dated June 23, 2017, which was recorded on October 3, 2017, in the Office of the Register of the City of New York, Kings County, under CRFN2017000366969 as Condominium No. 4010 (hereinafter referred to as the "Original Declaration") thereby having submitted premises known as 807 Manhattan Avenue, Brooklyn, New York 11222 (the "Premises") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act" or the "Act") and establishing a plan for condominium ownership of the Premises (the "Condominium"); and

WHEREAS, together with the Original Declaration there was recorded a set of floor plans certified on September 14, 2017 by Sherida A. Paulson, FAIA, a Registered Architect with PKSB, Architecture, P.C. and approved by the Tax Map Unit of the Division of Land Records on September 22, 2017, as Condominium No. 4010, for the Premises, which floor plans were dated September 22, 2017, and recorded October 3, 2017 as CRFN 2017000366970 in the Office of the Register of the City of New York, in Kings County (the "Original Floor Plans"); and

WHEREAS, the Original Declaration was amended by the First Amendment to Declaration dated _____, 2019, and recorded on _____, 2019, in the Office of the Register of the City of New York, Kings County, under CRFN2019_____ ("First Amendment to Original Declaration") which amended the Original Declaration by expanding the square footage of Unit C2 referred to in the Original Declaration and changing the percentages of common interest for Units C1 and C2 referred to in the Original Declaration; and

WHEREAS, together with the First Amendment to Original Declaration there was recorded a set of floor plans certified on _____, 2019 by Sherida A. Paulson, FAIA, a Registered Architect with PKSB, Architecture, P.C. and approved by the Tax Map Unit of the Division of Land Records on _____, 2019 for the Premises, which floor plans were dated _____, 2019, and recorded _____, 2019 as CRFN 2019_____ in the Office of the Register of the City of New York, in Kings County (the "First Amendment to Floor Plans"); and

WHEREAS, in accordance with the Original Declaration, the Original Floor Plans, the First Amendment to Declaration and the First Amendment to Floor Plans, the Condominium consisted

of two (2) Units designated as Commercial Unit #1 (or "C1") and Commercial Unit #2 (or "C2"); and

WHEREAS, by deed dated November 14, 2017 and recorded November 21, 2017, in the Office of the Register of the City of New York, Kings County, under CRFN2017000428687, 807 Manhattan Avenue Holding LLC conveyed Commercial Unit #2 to Sponsor, and further by confirmatory deed dated September 21, 2018 and recorded December 5, 2018, in the Office of the Register of the City of New York, Kings County, under CRFN2018000400623 Sponsor recorded such confirmatory deed solely to confirm Sponsor's name as 807 Manhattan Avenue LLC ; and

WHEREAS, by deed dated May 29, 2018 and recorded May 31, 2018, in the Office of the Register of the City of New York, Kings County, under CRFN20178000181452, 807 Manhattan Avenue Holding LLC conveyed Commercial Unit #1 to JTRE 241 Fifth LLC and JTRE Manhattan Avenue LLC, as tenants-in-common; and

WHEREAS, the purposes of this Amended and Restated Declaration is to amend and restate the Original Declaration and First Amendment to Declaration, in order to reflect the subdivision and conversion by the Commercial Unit #2 Owner (Sponsor hereunder) of Commercial Unit #2 into twenty-nine (29) residential units (the "Residential Units"), Residential Common Elements and Residential Limited Common Elements (sometimes, collectively, referred to herein as the "Residential Section"), the creation of new categories of Common Elements and other related changes with respect to the operation and governance of the Residential Section; and

WHEREAS, Sponsor is and shall, for all purposes, be a "Subdividing Unit Owner" as such term is defined in the Original Declaration, the Residential Units are and shall, for all purposes, be "Resultant Units" as such term is defined in the Original Declaration, and the Residential Board (as hereinafter defined) is and shall be, for all purposes, a "Resultant Board," as such term is defined in the Original Declaration, all pursuant to Article 11 of the Original Declaration, and this Amended and Restated Declaration is and shall, for all purposes, be a "Subdivision Amendment," as such term is defined in the Original Declaration; and

WHEREAS, Sponsor shall cause the Original Floor Plans, as amended by the First Amendment to Floor Plans to be amended so as to reflect such subdivision and conversion and to include a verified statement of a registered architect or a licensed professional engineer certifying that such amended Floor Plans (referred to herein as "Floor Plans") being filed fully and fairly depict the layout, location, unit designations and approximate dimensions of the Residential Units as built, which Floor Plans are intended to be recorded simultaneously with the recording of this Amended and Restated Declaration; and

WHEREAS, pursuant to Articles 11 and 20 of the Original Declaration, Sponsor as the Unit Owner of Commercial Unit #2, desires to amend and restate the Original Declaration, as amended by the First Amendment to Declaration, in its entirety as hereinafter set forth; and

WHEREAS, subject to the provisions of Article 11 of the Original Declaration, consent of the Commercial Unit #1 Owner is not required for the recordation of this Amended and Restated Declaration or the Floor Plans,

NOW, THEREFORE, the Original Declaration, as previously amended by the First Amendment to Original Declaration, is hereby amended and restated as set forth in this Amended and Restated Declaration (hereinafter referred to as the "Declaration":

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles contained in this Declaration will have the meanings set forth in Exhibit C entitled Definitions or Exhibit D entitled By-Laws annexed to this Declaration, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Original Declarant previously submitted: (i) the land owned by Original Declarant in fee simple absolute and described on Exhibit A attached hereto and made part hereof (hereinafter called the "Land"); (ii) the building and improvements erected and to be erected on the Land, (hereinafter called the "Building"), and (iii) all other easements, rights and appurtenances belonging to the foregoing, and all other property, personal or mixed, owned by the Original Declarant and intended for use in connection therewith (the Land, the Building and said easements, right, appurtenances and other property are hereinafter collectively called the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (as the same may hereafter be amended from time to time, the "New York Condominium Act".) Pursuant to this Declaration, Sponsor, as the owner of the Unit designated as "Commercial Unit #2" in the Original Declaration, hereby amends and restates the Original Declaration, as previously amended. Annexed to this Declaration as Exhibit D and made a part hereof are the by-laws of the Condominium (said by-laws, as the same may be amended from time to time in accordance with the provisions hereof and thereof, the "By-Laws"). Annexed to this Declaration as Exhibit D-1 and made a part hereof are the By-Laws of the Residential Section of the Condominium (said residential by-laws, as the same may be amended from time to time in accordance with the provisions hereof and thereof, the "Residential By-Laws"). This Declaration, the By-Laws, the Residential By-Laws, and the Floor Plans are collectively referred to herein as the "Condominium Documents."

2.2 Any unused "floor area" (as such term is defined in the Section 12-10 of the Zoning Resolution of the City of New York) appurtenant to the 807 Zoning Lot that are now owned, or that may become available under the Zoning Resolution (the "Development Rights") shall be owned as follows: (i) the Unit Owner referred to in the Original Declaration, as amended, as "Commercial Unit #1 Owner" and referred to in this Declaration as "Retail Unit Owner" shall own 5,380 square feet of air rights appurtenant to the Property ("Retail Unit Development Rights"), and (ii) the Unit Owner referred to in the Original Declaration as "Commercial Unit #2 Owner" and referred to in this Declaration as "Sponsor" shall own and have the right to use the balance of all of the Development Rights appurtenant to the Property (excluding the Retail Unit Development Rights), which has been utilized by Sponsor to expand the Calyer Building in connection with any zoning lot merger or transfer of development rights with respect to the Property (including any rights related to the inclusion of any available bonus floor area, and any use, bulk, density and other development rights permitted under the Zoning Resolution and which may from time to time be authorized to be developed by the City of New York or any agency or instrumentality thereof), including any rights it now has or hereafter may have to be a party to, to contest, or to execute, any Declaration of Restriction, as such term is defined in Section 12-10 of the Zoning Resolution with respect to the Property, in order to cause the Property to be merged with or unmerged from any other such zoning lot pursuant to the Zoning Resolution or any document of a similar nature and purpose. Except with respect to the Retail Unit Development Rights, Retail Unit Owner agrees

that the Sponsor shall have the sole right to utilize the Development Rights or cause any such merger or enter into any such Declaration of Restrictions or other document of similar nature and purpose affecting the Real Property. Notwithstanding anything contained herein to the contrary, in no event shall the Retail Unit Owner grant to the Sponsor a light or air easement or the ability to cantilever above the Retail Unit. The Retail Unit Owner and the Sponsor shall each execute and deliver promptly any certificate or instrument that the other party reasonably may request within thirty (30) days from the date of receipt of the written notice of the request therefor. In the event the party receiving the request does not respond to the requesting party within the aforesaid thirty (30) day period then in such event, the requesting party shall send to the receiving party a second (2nd) notice after the expiration of the aforesaid thirty (30) day period that states in all bold capital letters, "if the certificate or instrument is not delivered to the requesting party, or an explanation with specific reasons for failure to sign such certificate or instrument, within five (5) days after receipt of the second notice, then the party receiving the request shall irrevocably constitute and appoint the requesting party as its attorney-in-fact to execute any such certificate or instrument for and on behalf of the party receiving the request, such power of attorney coupled with an interest." Notwithstanding the foregoing, in no event shall such power of attorney be effective if the party receiving the request responds within the aforesaid thirty (30) period, or within five (5) days after receipt of the second (2nd) notice, to the requesting party with comments to any such certificate or instrument or has any other reasonable objections to executing and delivering such certificate or instrument until such time as the party receiving the request is satisfied with the certificate or instrument to be executed and delivered. The use of the Development Rights by the Sponsor is subject to the following conditions:

2.2.1 (i) The then existing floor area of the Retail Unit shall not be reduced as a result thereby; (ii) there is no Adverse Effect on the Retail Unit Owner or the Retail Unit; (iii) the Retail Unit Owner shall not be responsible for any costs and expenses incurred to add floor space to the Residential Section utilizing such Development Rights; and (iv) in the event the Development Rights are utilized to add floor space to the Residential Section then the proportionate share, respectively, of the Retail Unit's and the Residential Section's Common Interest, and the share of Common Expenses allocated, respectively, to the Retail Unit and the Residential Section, shall be equitably adjusted so that the Retail Unit and the Residential Section each bear a fair proportionate share of Common Expenses taking into account such additional floor space in the Building, if any.

2.3 Annexed to this Declaration as Exhibit D are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as same may be amended from time to time in accordance with the provisions hereof and thereof are referred to herein as the "By-Laws"). Annexed to this Declaration as Exhibit D-1 are the by-laws of the Residential Section which set forth detailed provisions governing the operation, use and occupancy of the Residential Section of the Condominium (said residential by-laws, as same may be amended from time to time in accordance with the provisions hereof and thereof are referred to herein as the "Residential By-Laws"). This Declaration, the By-Laws, the Residential By-Laws and the Floor Plans are collectively referred to herein as the "Condominium Documents."

2.4 Pursuant to the provisions of the Original Declaration, the Sponsor, in accordance with the Cap One Lease (including, but not limited to Section 2.9 thereof), has relocated the ATM utilized by Capital One to certain space described in the Cap One Lease.

2.5 The Sponsor shall be required, at its sole cost and expense, in compliance with all Legal Requirements, to relocate all of the Manhattan Avenue Building Equipment and all utility services solely servicing the Manhattan Avenue Building that are located in the Calyer Building to

the Manhattan Avenue Building as more particularly described on Schedule 2.5 attached hereto and made a part hereof.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 of the Original Declaration is the Land lying in the City of New York, County of Kings and State of New York more particularly described on Exhibit A annexed to this Declaration. Prior to the recording of the Original Declaration, the Land was owned by Original Declarant in fee simple absolute.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 of the Declaration is a Building consisting of Common Elements and thirty (30) units: The Retail Unit located on portions of the Basement, Floor 1, Floor 2, Floor 3 and Roof; and twenty-nine (29) residential units located in the Residential Section on portions of the Basement, Floor 1, Floor 2, Floor 3, Floor 4, Roof and Bulkhead. The Retail Unit is designated as "RET" and the residential Units are designated as Units "1A" through "1G," "2A" through "2H" and "2J," "3A" through "3H" and "3J," and "4A" through "4D" on Exhibit B and the Floor Plans.

ARTICLE 5

THE BUILDING

The Building consists of two structures with a cellar below grade and Floor 1 through Floor 4 and a Roof. The Building's construction class is Class 1 Fire-proof. All exterior walls consist of masonry.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed to this Declaration and made a part of this Declaration sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area and (v) the Common Interest appurtenant to such Unit (all as shown on the Floor Plans, certified by PKSB Architecture, P.C., and intended to be filed in the office of the New York City Register, Kings County, (hereinafter the "New York City Register") simultaneously with the recording of this Declaration. The Unit, comprised of the area designated as "Tax Lot 1001" on the Floor Plans as of the recording of this Declaration consisting of the Retail Unit (but exclusive of any Common Elements) is herein called the "Retail Unit" or "RET." The Units, comprised of the area designated as "Tax Lots Nos. 1003 through 1031" on the Floor Plans, as of the recording of this Declaration, are located in the Residential Section and are each herein called a "Residential Unit" and collectively, the "Residential Units." The owner of the Retail Unit is sometimes herein called the "Retail Unit Owner" and the owners of the Residential Units are each sometimes called a "Residential Unit Owner" and collectively, the "Residential Unit Owners." The Retail Unit and

the Residential Units are herein sometimes called collectively the "Units" and individually a "Unit." The owner of a Unit is hereinafter sometimes called a "Unit Owner."

6.2 The Retail Unit consists of the space designated on the Floor Plans as part of such Unit together with those Facilities located within the Unit which exclusively serve or benefit such Unit or the Unit Owner thereof, including, without limitation:

6.2.1 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, gas, electrical, fire safety which are located within the Retail Unit and which exclusively serve the Retail Unit (without being exhaustive and by way of example only, heating, ventilating and air conditioning units (including their fans and coils), heating equipment, and appliances and Facilities, as may be affixed, attached or appurtenant to such Unit and which serve such Unit exclusively). Plumbing, gas, heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment which are part of the Unit and exclusively service the Unit. Plumbing, gas, heating fixtures and equipment shall not include gas, water or other pipes, conduits, wiring or ductwork from the point at which such pipes, wiring, ductwork or conduits service other Units or the General Common Elements.

6.2.2 Passages, hallways and corridors and interior walls including sheetrock, plaster and studs (other than the structural components thereof), to the extent any of the same are for the exclusive use of the Retail Unit or the Retail Unit Owner.

6.2.3 All escalators, elevators (and their respective shafts, pits and machine rooms to the extent not designated as a General Common Element on the Floor Plans), stairs, if any, and all related Facilities exclusively serving the Retail Unit not specifically designated as a General Common Element on the Floor Plans.

6.2.4 The flooring, wall coverings, molding, non-load bearing interior walls and partitions, sheet rock and plaster wall coverings, smoke detectors and carbon monoxide detectors, all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Retail Unit, to the extent located wholly within the Retail Unit and exclusively serving or benefiting that Unit.

6.2.5 All Signage affixed to the Building in accordance with applicable Law and the provisions of the By-Laws, and exclusively serving the Retail Unit or the Retail Unit Owner.

6.2.6 The Retail Unit shall include the Roof which exclusively serves such Unit together with any Facilities located on the Roof which exclusively serve such Unit.

6.3 A Unit shall not include any of the General Common Elements located therein or any Facilities, plumbing, electrical, heating, venting and air conditioning work, machinery, or other materials and equipment used exclusively by and for another Unit or another Unit Owner.

6.4 Each Unit shall include all storefronts, entranceways, windows and window framing, skylight structures and skylight glass panels located on the Roof, door assemblies and related and similar installations in the Exterior Façade exclusively opening into a Unit as more particularly delineated on the Floor Plans.

6.5 The Residential Section consists of the space designated on the Floor Plans as part of the Residential Section together with those Facilities located within the Residential Section which exclusively serve or benefit the Residential Units or the Residential Unit Owners thereof, including, without limitation:

6.5.1 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, gas, electrical, fire safety which are located within the Residential Section and which exclusively serve the Residential Section (without being exhaustive and by way of example only, heating, ventilating and air conditioning units (including their fans and coils), heating equipment, and appliances and Facilities, as may be affixed, attached or appurtenant to such Unit and which serve the Residential Section exclusively). Plumbing, gas, heating fixtures and equipment as used in the preceding sentence shall include gas and water pipes from branch or fixture shut off valves attached to fixtures, appliances and equipment which are part of the Residential Section and exclusively service the Residential Units. Plumbing, gas, heating fixtures and equipment shall not include gas, water or other pipes, conduits, wiring or ductwork from the point at which such pipes, wiring, ductwork or conduits service the Retail Unit or the General Common Elements.

6.5.2 Passages, hallways and corridors and interior walls including sheetrock, plaster and studs (other than the structural components thereof), to the extent any of the same are for the exclusive use of the Residential Section or the Residential Unit Owners.

6.5.3 All escalators, elevators (and their respective shafts, pits and machine rooms to the extent not designated as a General Common Element on the Floor Plans), stairs, if any, and all related Facilities exclusively serving the Residential Section not specifically designated as a General Common Element on the Floor Plans.

6.5.4 The flooring, wall coverings, molding, non-load bearing interior walls and partitions, sheet rock and plaster wall coverings, smoke detectors and carbon monoxide detectors, all lighting and electrical fixtures, cabinets, including, without limitation, kitchen and bathroom cabinetry, countertops and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Residential Section, to the extent located wholly within the Residential Section and exclusively serving or benefiting the Residential Units.

6.5.5 All Signage affixed to the Building in accordance with applicable Law and the provisions of the By-Laws, and exclusively serving the Residential Section or the Residential Unit Owners.

6.6 The Residential Section shall include the Roof which exclusively serves the Residential Section together with any Facilities located on the Roof which exclusively serves the Residential Section.

6.7 As of the Declaration Date, fee simple title in the Residential Units will automatically vest in Sponsor without the need to execute specific and particular deeds or indentures for each and every Residential Unit.

ARTICLE 7

DIMENSIONS OF UNITS

7.1 Each Unit consists of the area measured horizontally from the exterior side of the exterior walls and the exterior side of public corridors, elevators, stairs, columns and other

mechanical equipment spaces to the center line of the interior walls or partitions separating one Unit from another Unit. Columns, mechanical pipes, shafts, chases and conduits are not deducted for the purpose of floor area measurements (except with respect to the basement as provided in Article 13). Each Unit consists of the area measured vertically from the top of the unfinished floor to the underside of the concrete slab.

ARTICLE 8

COMMON ELEMENTS

8.1 The Common Elements of the Condominium include, but not are not limited to, the Land, all parts of the Building and improvements thereon other than the Units, and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements. The Common Elements do not include any Development Rights.

8.2 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for in this Declaration and in the By-Laws. The Common Elements are comprised of: (a) the General Common Elements, described in greater detail in Section 8.3 hereof; (b) the Residential Common Elements, described in greater detail in Section 8.4 hereof; and (c) the Residential Limited Common Elements, described in greater detailed in Section 8.5 hereof.

8.3 Without limiting the generality of Section 8.1 of this Declaration, the General Common Elements refer to and include the following:

8.3.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.3.2 Any land lying in the bed of any street, road or avenue open or proposed, public or private, in front of or adjoining the Land, (i) any award made or to be made in lieu thereof, (ii) any unpaid award for damage to the Land or the Building by reason of change of grade of any street, and (iii) any strips and gores bisecting, adjoining or adjacent to the Land.

8.3.3 All foundations, footings, columns, girders, slabs, Roofs (not exclusively serving the Retail Unit or the Residential Section), structural beams and supports, and interior load bearing walls.

8.3.4 The Exterior Façade of the Building (not exclusively serving the Retail Unit or the Residential Section).

8.3.5 All areas shown as Common Elements on the Floor Plans.

8.3.6 Any Facilities or Building Systems located on any Roof which serve all Units.

8.3.7 All street trees, shrubbery, planters and other plantings located on the street level on the sidewalks surrounding the Property, including the landmark lamp posts.

8.3.8 That portion of the fire alarm system, the fire panel, booster pump and sprinkler system for the Building that is not included within the Units.

8.3.9 All other Facilities serving all of the Units and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Building except to the extent specifically included in each Unit pursuant to Article 6.

8.4. The Residential Common Elements include, but not are not limited to, those portions of the Residential Section, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Unit Owners only, except to the extent that same are designated hereunder as part of a Unit, a General Common Element or a Retail Unit Limited Common Element, if any, that serve exclusively the Residential Units or Residential Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Residential Section and, without limiting the generality of this Section 8.4, include:

8.4.1 All stairways and the elevator within the Residential Section, and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways serving the Residential Section (except those hallways within a Residential Unit).

8.4.2 The Residential Entrance, Lobby, Storage Area, outdoor and indoor recreation areas located on the Basement Level of the Residential Section,

8.4.3 The Roof serving the Residential Unit and the Bulkhead Roof serving the Residential Section.

8.5 The Residential Limited Common Elements include, but are not limited to, all portions of the Residential Section which are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Residential Limited Common Elements include: the Terraces adjoining certain Residential Units more particularly set forth on Exhibit B to this Declaration and as set forth in the Floor Plans.

ARTICLE 9

USE OF BUILDING AND UNITS

Except as otherwise limited in Sections 5.17 through 5.19 of the By-Laws, the Units may be used for any lawful purpose consistent with the Operating Standard.

ARTICLE 10

ALTERATIONS TO THE UNITS

10.1 Except to the extent prohibited by Law or as otherwise provided in this Declaration or in Section 5.15 of the By-Laws, the Retail Unit Owner shall have the right, without the consent or approval of the Board, the other Unit Owner or the Condominium Managing Agent, to: (i) make Alterations, whether structural or non-structural, ordinary or extraordinary, in, to and upon the interior of the Retail Unit; and (ii) change the layout of Retail Unit. Residential Unit Owners wishing to make any Alterations to a Residential Unit shall comply with the requirements of the Residential By-Laws, as same may be amended from time to time.

10.2 In the event the Retail Unit Owner (in such event, the "Requesting Owner") seeks to change an existing use of its Unit to another use as permitted under Article 9 of this Declaration and limited by Article 5 of the By-Laws, such Requesting Owner shall have the right, from time to time, to amend the certificate of occupancy of the Building, if required, to reflect such change in usage, provided that (i) such new use is not prohibited under this Declaration, under the By-Laws or under applicable Law; (ii) the Requesting Owner shall provide thirty (30) days' prior Notice to the other Unit Owners and to the Board; (iii) such use does not limit or otherwise impact the uses to which another Unit may be put; and (iv) such change in use has no Adverse Effect on any Party other than the Requesting Owner. In connection with such amendment, subject to the foregoing limitations, a Requesting Owner may apply for any discretionary land use approvals that may be required to permit the change of use ("Land Use Approval") (except that such Requesting Owner may not apply for a Special Permit without the consent of the Board). The Board and each Unit Owner shall cooperate with the Requesting Owner, at the Requesting Owner's expense, and execute, or cause to be executed by its appropriate representative, all applications, authorizations and other instruments, including, without limitation, any amendments to any pending alteration type application or DOB filings then in effect, reasonably required to enable the Requesting Owner to amend the certificate of occupancy, or apply for a Land Use Approval, provided that the Board and other Unit Owners, other than the Requesting Owner, shall not incur any liability, cost or expense in connection with such application or to any Person having any claim of injury to persons or damage to property arising therefrom. No Unit Owner shall appear in opposition to a Land Use Approval sought by another Unit Owner, provided the application for the Land Use Approval is authorized by and complies with requirements of this Declaration and the By-Laws.

ARTICLE 11

SUBDIVISION AND COMBINATION OF UNITS

11.1 No Unit Owner shall subdivide its Unit or combine any subdivided Units resulting from a permitted subdivision ("Subdivision"), except as set forth in this Article 11. Subject to compliance with all the other requirements of this Article 11 and all Laws, the Sponsor or the Retail Unit Owner shall have the right, without the consent of (but on no less than thirty (30) days' Notice to) the other Unit Owners, or Sponsor and the Board, from time to time, to: (i) subdivide its Unit (the Units created from such Subdivision shall be referred to as the "Resultant Units" and the owner of such Resultant Unit shall be referred to as the "Resultant Unit Owner"), (ii) recombine any Resultant Units owned by it; (iii) create limited common elements appurtenant to all or some of the Resultant Units from such subdivided Unit, and/or eliminate such limited common elements; and (iv) impose such further restrictions on the use and rights of such Resultant Units as the Unit Owner ("Subdividing Unit Owner") deems necessary or desirable, all in accordance with this Declaration, the By-Laws, Rules and Regulations and applicable Law. The Retail Unit Owner shall be permitted to create a Subdivision in the Retail Unit, upon the expiration or earlier termination of the Existing Lease in compliance with the terms and conditions of this Article 11.

11.2 Subject to compliance with applicable Law, including Article 9-B of the Real Property Law of the State of New York and Article 23-A of the GBL and the rules and regulations of the Department of Law promulgated thereunder, and the provisions of the By-Laws with respect to the sale of Units, the Subdividing Unit Owner may file an offering plan or request an exemption therefrom with the Department of Law or other Governmental Authority for the sale of any of the Resultant Units.

11.3 Any Subdivision shall be subject to satisfaction of the following additional conditions:

11.3.1 The Subdividing Unit Owner shall apportion among the Resultant Units resulting from such Subdivision, the Common Interest of the Unit so subdivided using the methodology set forth in Article 13 of this Declaration.

11.3.2 No action described in Section 11.1 shall: (i) change the Common Interest of any Unit other than the Unit being subdivided or combined or resulting from such subdivision or combination or (ii) impair or diminish the use, sale or other disposition of the Development Rights without the consent of the affected Unit Owner.

11.3.3 No action permitted pursuant to Section 11.1 shall be effective unless and until all outstanding Common Charges in respect of the Unit(s) to be changed by such action shall have been paid in full.

11.3.4 Any Unit Owner of a Resultant Unit created pursuant to Section 11.1 shall be responsible for paying all Common Expenses, Unit Expenses and any other amounts allocable to such newly created Resultant Unit in accordance with this Declaration and the By-Laws.

11.3.5 To the extent the Unit or Units to be subdivided or combined are encumbered by a Recognized Mortgage and such Recognized Mortgage requires the consent of the Recognized Mortgagee to such subdivision or combination, the consent of the Recognized Mortgagee thereunder shall have first been obtained.

11.3.6 The obligations and liabilities of the Subdividing Unit Owner under or in connection with this Declaration, the By-Laws and any other agreement among the Unit Owners, shall be joint and several obligations and liabilities of the Unit Owners of the Resultant Units.

11.4 In connection with a Subdivision pursuant to Section 11.1, the Subdividing Unit Owner shall prepare and record an amendment to this Declaration, the By-Laws and/or the Floor Plans reflecting the matters set forth in this Declaration, which amendment shall contain provisions governing the affairs of any Resultant Units resulting from the subdivision or combination to which such amendment relates (each, a "Subdivision Amendment").

11.5 Without limiting the generality of Section 11.4 above, the Subdivision Amendment shall provide:

11.5.1 for the creation and operation of a board (a "Resultant Board") to manage the affairs of the Resultant Units;

11.5.2 that to the extent any consent, approval, determination or action of the Subdividing Unit Owner is required under the Condominium Documents for any proposed action by the Condominium Board or by the other Unit Owner, such consent, approval, determination or action shall be made by the Resultant Board on behalf of the Resultant Unit Owners in accordance with the Subdivision Amendment. Each Resultant Unit Owner by acceptance of a deed to a Resultant Unit will be deemed to have given the Resultant Board the right and power to so act on each Resultant Unit Owner's behalf;

11.5.3 that any Notice that would have been required or permitted to be given to a Unit Owner under this Declaration or the By-Laws, shall be given to the Resultant Unit Owners to which such Notice applies; provided however, any Notice that is applicable to all of the Resultant Unit Owners, shall, except as may be otherwise required by Law, be given to the Resultant Board on behalf of all such Resultant Unit Owners and any failure by the Resultant Board or another Unit Owner to give additional Notice to any individual Resultant Unit Owner shall not affect the validity

of any Notice properly given to the Resultant Board; it being understood it shall be the obligation of the Resultant Board to provide the Resultant Unit Owners with copies of any such notices;

11.5.4 without limiting the generality of Section 11.5.2 and 11.5.3 of this Declaration, that the rights of a Resultant Unit Owner under this Declaration or the By-Laws may only be exercised by the Resultant Board, and not by any Resultant Unit Owner;

11.5.5 that the Resultant Board shall indemnify and hold the Board and all other Unit Owners, except for the Unit Owners of Resultant Units resulting from such Subdivision, harmless from and against any Claims by any Person arising out of or in connection with the Subdivision, use, operation or Maintenance of or the performance of Work in or to any Resultant Unit, and any limited common elements which are appurtenant to a Resultant Unit resulting from such Subdivision;

11.5.6 that all costs and expenses of the use, operation and Maintenance of and the performance of Work in and to any limited common elements shared by any Resultant Unit Owners pursuant to a permitted subdivision under this Article shall be borne exclusively by the Unit Owners of the Resultant Units to which such limited common elements are appurtenant, in accordance with the respective Common Interests of such Resultant Units; and

11.5.7 that upon acceptance of a deed to a Resultant Unit, each Resultant Unit Owner will be deemed to have granted to the applicable Resultant Board, an irrevocable proxy and power of attorney, coupled with an interest, to be used by the applicable Resultant Board in its sole and absolute discretion, in connection with any vote or solicitation of consents of the Unit Owners for the purpose of resolving whether to proceed with the Repair of the Building as provided in Section 5.5 of the By-Laws, or with respect to the termination of the Condominium as provided in Article 21 of this Declaration, which grant of such irrevocable proxy and power of attorney will run with the land and any subsequent conveyance of a Unit will not be deemed to terminate the proxy or the power of attorney.

11.5.8 Notwithstanding anything to the contrary contained in this Declaration: (i) the Resultant Board established by the Sponsor to represent and act for the Resultant Unit Owners of any Subdivision of Commercial Unit #2 referred to in the Original Declaration and referred to herein as the Residential Section shall in no event be entitled, on a collective basis, to designate more than two (2) members of the Board.

11.6 Unless expressly provided otherwise in this Declaration, any easements granted in this Declaration or the By-Laws burdening a Unit shall burden in like manner any Resultant Unit and limited common elements created in connection therewith. Any rights granted to the Subdividing Unit Owner under this Declaration or the By-Laws with respect to a Unit owned by another Unit Owner shall apply to a Resultant Unit Owner only to the extent the Subdividing Unit Owner grants the Resultant Unit Owner such rights as provided for in the Subdivision Amendment. All references to Units in this Declaration and the By-Laws shall be deemed to include any Resultant Unit created pursuant to this Article 11, subject to the provisions of the Subdivision Amendment, and subject to any restrictions imposed on such Resultant Units by the Subdividing Unit Owner pursuant to a Subdivision Amendment.

11.7 A copy of the Subdivision Amendment, deeds and other instruments to be entered into in connection with the Subdivision pursuant to this Article 11 shall be delivered to the other Unit Owner and the Board and any Resultant Board then existing at least thirty (30) days in advance of the recording of the Subdivision Amendment and any transfer of title in connection

therewith along with a certification that the Subdivision Amendment complies with the requirements of this Article 11.

11.8 Provided Section 11.7 has been complied with, the consent of the Board and/or any other Unit Owner shall not be required for the recording of any Subdivision Amendment complying with the requirements of Sections 11.4 and 11.5 or for the filing of any offering plan or "no action" application for the sale of any Subdivided Units under Article 23-A of the General Business Law or other applicable Law. The signatures of the Board or any other Unit Owner shall not be required on any application or other document necessary or convenient to the exercise by a Subdividing Unit Owner of any of such Subdividing Unit Owner's rights or powers to subdivide its Unit or combine previously subdivided Units in accordance with the terms of this Article 11. Nonetheless, provided the other Unit Owner or the Board incurs no cost or liability thereby, the other Unit Owner and the Board shall execute any such applications or other documents and they hereby grant to each Subdividing Unit Owner an irrevocable power of attorney (coupled with an interest and granted for valuable consideration) to execute any such applications or other documents on their behalf, and any such execution, delivery and/or recording shall not require the consent of the Board or any other Unit Owner.

11.9 A Subdivision Amendment shall not increase the obligations, or diminish the rights of any other Unit Owner or otherwise have an Adverse Effect on any other Unit Owner without such other Unit Owner's prior written consent.

11.10 Any provision of a Subdivision Amendment that does not comply with the provisions of this Declaration and Bylaws, including this Article 11, shall not be valid or enforceable against the Board or any Unit Owner, and the Subdividing Unit Owner shall amend the Subdivision Amendment to comply with the provisions of this Declaration and Bylaws, including, but not limited to, this Article 11.

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action, which may be brought against the Condominium. In the event the Board receives service of process, the Board shall promptly notify each of the Unit Owners in accordance with the provisions of the By-Laws.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The Common Interest of each Unit is set forth in Exhibit B, and has been determined by the Declarant in accordance with Real Property Law Section 339-i.1(iv) based upon the floor area of the Unit on the Declaration Date and the aggregate floor area of all the Units, subject to the location of such Unit and additional factors of relative value of such Unit to other Units 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. Notwithstanding the foregoing, with respect to the basement, any square footage that is not otherwise rentable or saleable shall be reduced on a square footage basis by fifty percent (50%) in determining the Common Interest of both the Retail Unit and the Residential Units in the Residential Section.

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Limited Common Element of another Unit as of the date of the Declaration, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements as of the date of the Declaration or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any Work done to the Common Elements made by or with the consent (when required by the By-Laws) of the Board or a Unit Owner or as otherwise required by applicable law, in accordance with this Declaration or the By-Laws or (iii) any Work done to the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements made by or with the consent (when required by the By-Laws) of the Board or a Unit Owner or as otherwise required by applicable law, in accordance with this Declaration or the By-Laws; then, in any such event and provided such encroachment (A) does not have an Adverse Effect, (B) the Work is permitted under this Declaration and By-Laws, and (C) the Party performing such Work has used commercially reasonable efforts to minimize the possibility of creation of encroachments to the extent practicable, then a valid easement of support, subjacency and necessity shall exist for such encroachment, subject to easements in favor of all other Unit Owners, and the Common Elements and any Limited Common Elements, and for the maintenance of the same as long as the Building shall stand. In connection with (c) (ii) and (iii) above, the Board and the Unit Owners shall be obligated to use commercially reasonable efforts to avoid the creation of encroachments on other Units or the Common Elements.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as the "807 Manhattan Avenue Condominium." The Board shall own and control all rights and interests, including the right to apply for any state trademark and prosecute to registration any federal trademark applications, and shall be responsible for all obligations and liabilities, including those in furtherance of protecting, policing and maintaining any applicable trademark rights, which may include litigating against those whom the Board believes may be infringing the Board's rights in and to the name of the Condominium and Building, appurtenant to the name of the Condominium and/or the Building. The Sponsor, the Residential Board and the Retail Unit Owner shall have the right to maintain plaques on the Exterior Facade appurtenant to their respective Units as long as such plaques comply with Law and conform to the requirements set forth in the By-Laws.

ARTICLE 16

EASEMENTS AND RIGHTS OF ACCESS

16.1 Except as set forth in this Declaration, each Unit Owner shall have in common with all other Unit Owners, a reciprocal easement for the use of the Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities serving its Unit including, but not limited to, utilities for gas, electricity, water, telecommunication and ventilation; provided, however, that this sentence shall not be deemed to grant to any Unit Owner an easement to install any new or additional (as

distinguished from replacement) Facilities outside of its Unit, except as expressly permitted elsewhere in this Declaration or in the By-Laws. Each Unit shall be subject to an easement in favor of all Unit Owners to use all Common Elements located within the boundaries of such Unit or elsewhere on the Property for the purposes permitted and in the manner required under this Declaration. In addition, the Board shall have an easement and a right of access within each Unit to inspect the same, to remove violations therefrom and to use and Maintain the Common Elements contained therein or elsewhere in the Property. With respect to the Residential Units, the rights set forth in this Section 16.1 to enter another Unit Owner's Unit or the Common Elements may only be exercised by the Residential Board and not by the Residential Unit Owners, except in cases of an Emergency.

16.2 Each Unit Owner grants a right of access to its Unit to the Board, the Condominium Managing Agent and their respective employees, contractors and consultants for the following purposes: (i) making inspections of such Unit, the Common Elements, or any other part of the Property; (ii) for the purpose of curing defaults (after the giving of Notice and applicable grace period as set forth in this Declaration) under this Declaration, the By-Laws or any of the Rules and Regulations adopted by the Board, by such Unit Owner; (iii) correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, but in each such event, subject to and in accordance with the provisions of this Declaration, the By-Laws, or any of the Rules and Regulations; (iv) for the purpose of performing Work to the mechanical or electrical services or other portions of the Common Elements within such Unit Owner's Unit or elsewhere in the Building; or (v) for the purpose of reading, Maintaining or replacing utility meters in the Building.

16.3 The easements set forth in this Article 16 may not be used by any Unit Owner to exclude, dispossess, or prevent access to or from any portion of a Unit belonging to another Unit Owner or interfere with any other Unit Owner's Facilities. Nothing in this Article 16 shall be construed to permit a Unit Owner to use any space in another Unit Owner's Unit that does not constitute a Common Element. In no event shall either Unit Owner have a substantially exclusive advantage to use a Common Element to the exclusion of any other Unit Owner, except as expressly set forth otherwise in this Declaration or the By-Laws. With respect to any installation made pursuant to the provisions of this Article 16, the particular location of such installation within a Common Element is subject to the reasonable approval of the Board, excluding easement areas exclusively reserved for a particular Unit Owner in which case any such installation shall be subject to such Unit Owner's consent.

16.4 General Requirements

16.4.1 All easements and rights of access described in this Article 16 shall be exercised by the Exercising Party in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Units or with the use of the Units for their permitted purposes.

16.4.2 Each Unit Owner whose Unit is subject to the easements and rights of access described in this Article shall be reimbursed for all Access Costs incurred by said Unit Owner ("Impacted Owner") as a result of the exercise of the easements and rights of access under this Declaration, except that Access Costs shall not include the cost of Overtime Hours pursuant to Section 16.4.4. All entries made pursuant to the easements granted in this Article 16 shall be permitted on reasonable Notice, but in no event less than five (5) Business Days' Notice to the Unit Owner, except that no Notice will be necessary in the case of an Emergency, in which event, the Exercising Party shall give such Notice (which may be verbal) as soon as is practicable given the nature of the Emergency. The Exercising Party shall reimburse the Impacted Owner within

thirty (30) days of demand therefor, for the Impacted Owner's Access Costs, which demand shall be accompanied by reasonable evidence of such Access Costs. In the event the Exercising Party fails to pay the Access Costs within said thirty (30) day period, the Impacted Owner shall be entitled to interest on the Access Costs at the Default Rate, together with all rights and remedies available at law or in equity. The Access Costs of the Impacted Owner shall be deemed to be Unit Expenses payable solely by the Exercising Party. To the extent the Board or the Condominium Managing Agent is the Exercising Party and incurs any costs and expenses, including, without limitation, Access Costs, under this Article 16, such costs shall be allocated to the Unit Owners as General Common Expenses, except if the Board or the Condominium Managing Agent is not the Exercising Party, then the Access Costs incurred by the Board or the Condominium Managing Agent shall be paid solely by the Unit Owner that is the Exercising Party as Unit Expenses or by the Residential Board, if applicable. Notwithstanding the foregoing, if the Board or another Unit Owner is permitted to exercise the easements and rights of access described in this Section in order to remove or cure a violation or to cure a default under this Declaration, the By-Laws, or any Rules and Regulations adopted by the Board, or for the purpose of correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the Common Elements, then the Unit Owner responsible for the violation, default or condition shall be liable for all costs and expenses in connection with such exercise and access and any Work performed in connection therewith, all of which shall be Unit Expenses and the Unit Owner responsible for the violation, default or condition shall not be entitled to reimbursement for Access Costs. Any dispute by and among any Unit Owners and/or the Board as to the nature, scope or interpretation of the easements contained in this Article 16 of the Declaration shall be resolved by Arbitration.

16.4.3 Whenever in this Declaration or the By-Laws, the Board or any Unit Owner is permitted to enter another Unit Owner's Unit: (i) such right of entry shall be at such times reasonably convenient and on prior Notice to such Unit Owner, except in the event of an Emergency (in which event such Notice shall be given as soon as reasonably practicable thereafter); (ii) such right of entry shall not unreasonably interfere with the normal use and enjoyment of such Unit and the Common Elements; (iii) the Unit Owner of the Unit being entered shall have the right to have a representative present at all times during such entry; (iv) the Party making such entry shall comply with any reasonable security procedures and reasonable security requirements of the Unit Owner or other occupant of the Unit being entered, provided, however, that such procedures and requirements shall not preclude entry into the Unit; and (v) the Party making such entry shall promptly clean up any areas of the Unit affected by such entry, Repair any damage caused as a result of such entry and pay any Access Costs as set forth in Section 16.4.2.

16.4.4 The exercise of any easement rights granted to the Sponsor, the Residential Board or the Board under this Declaration or the By-Laws that requires access to the Retail Unit: (a) shall, at the request of the Retail Unit Owner, be exercised during such Overtime Hours as the retail business in Commercial Unit #1 is not open to the public, with the additional cost as a result of access during Overtime Hours, including the cost of any additional security required by the Retail Unit Owner or the Board, as applicable, payable by the Sponsor, or the Residential Board, as applicable, as a Unit Expense or the Unit Owners as a Common Expense or the Residential Board as a Residential Common Expense; and (b) shall not, to the greatest extent practicable, be undertaken during the Prime Retail Period if such Work adversely impacts or interferes in any material respect with (1) access by the general public, (2) the Retail Unit's visibility, including the visibility of Signage, from the street, or (3) any portion of the sales area.

16.5 All Permitted Users shall have a right and easement to use the sidewalks and the ramps, stairways, entrances and exits constituting Common Elements and any replacements thereof for the sole purpose of providing all Permitted Users a means of ingress and egress to

and from the Land and its respective Unit and an approach to and from the public street subject to compliance with the provisions of the By-Laws.

16.6 The Board and each Unit Owner shall have an easement to install, utilize, operate, Maintain, and relocate within the Common Elements (excluding easement areas exclusively reserved for a particular Unit Owner without such Unit Owner's consent) any utilities servicing the Units and/or the Common Elements including, without limitation, all pipes, wires, ducts, cables, conduits, lines, service, connections and other apparatus and equipment for any electricity, gas, steam, heat, water, sewerage, telephone, cable, and other communications facilities (i) as may be required by Law and (ii) in accordance with the provisions of this Section 16.6, as are otherwise reasonably necessary or desirable to provide all utility services required by the Unit Owners and as may be required by the utility companies providing such services ("Utility Facilities"), together with a non-exclusive or an exclusive right and easement, as the case may be, to utilize and receive services from the Utility Facilities, provided that if the exercise of such easement under this Section 16.6 would have an Adverse Effect on any Party other than the Exercising Party, or would adversely impact the functioning of such Utility Facilities, such easement may not be exercised without the consent of any Unit Owner served by such Utility Facilities.

16.6.1 A Unit Owner must receive the prior written approval of the Board to relocate any Utility Facilities in, to, or from the Common Elements, not to be unreasonably withheld, conditioned or delayed, provided no such relocation shall be made to any easement area designated for the exclusive use of another Unit Owner without such Unit Owner's consent.

16.6.2 No Utility Facilities shall be expanded in a manner which would result in such Unit Owner exceeding its Proportionate Share of the Common Elements and no such expansion or relocation of Utility Facilities shall occur earlier than ten (10) Business Days after the Person desiring to make the expansion or relocation shall have given to the Unit Owner of the Unit served by such Utility Facilities and the Board Notice of its intention to do so, which Notice shall specify the Facilities to be expanded or relocated, the place to which the same will be relocated and the extent of any service interruption to result therefrom, subject to Sections 16.6.4 and 16.6.5 below.

16.6.3 No Utility Facilities shall be relocated to a materially less suitable location without the consent of the Unit Owner of the Unit served by such Utility Facilities. Exhibit E depicts the new locations of the Utility Facilities in the Retail Unit, which locations are approved by the Retail Unit Owner.

16.6.4 Except in the event of an Emergency, any service interruption resulting from any such Maintenance, expansion or relocation may be scheduled during Overtime Hours as the business therein is not open to the public (provided that the additional expense resulting from the performance of Work during Overtime Hours is paid by the Unit Owner, as a Unit Expense by the Unit Owner that is performing such Maintenance, expansion or relocation), or at such other times as are mutually acceptable to the affected Parties.

16.6.5 No such service interruption shall unreasonably interfere with the normal use and enjoyment of the Unit served by such Utility Facilities without the consent of the Unit Owner of the Unit served by such Facilities, or the Board, with respect to the Common Elements.

16.6.6 All costs and expenses arising out of such Maintenance, expansion or relocation, including any such costs and expenses relating to related Utility Facilities not relocated, shall be borne by the Party making such relocation, unless expressly provided otherwise in this Declaration and if such Party is the Board, such costs and expenses shall be Common Expenses

unless the necessity therefor is caused by or for the benefit of only one of the Unit Owners in which case such costs and expenses shall be Unit Expenses of such Unit Owner.

16.6.7 With respect to the Residential Units, the rights set forth in this Section 16.6 may only be exercised by the applicable Residential Board and not by any Residential Unit Owners.

16.7 Each Unit shall have an easement of physical support and of necessity from all other Units and the Common Elements and shall be subject to an easement of physical support and necessity in favor of all other Units and the Common Elements.

16.8 In the event of an Emergency, all Permitted Users shall have a right of emergency egress through passageways, emergency stairways, side yards and exits contained within any Unit, the Residential Section or Common Elements, and each Unit shall be subject to the rights of all Permitted Users to use such passageways, stairways, side yards and exits for emergency egress, including without limiting the generality of the foregoing, the Retail Unit Owner and all Permitted Users shall have an emergency egress easement through the Basement Level of the Residential Section up the stairway A in the Residential Section and out to the sidewalk on Calyer Street adjacent to the Residential Section.

16.9 Subject to the other terms and conditions of this Declaration, the By-Laws, and subject to applicable Law, including, without limitation, the requirements of the Zoning Resolution and such restrictions imposed as a result of the Building's location, each Unit Owner shall be permitted to install, place or permit to be installed or placed any Signage on the Exterior Façade of the Building provided that such Signs are only placed on the portion of the Exterior Façade appurtenant to such Unit.

16.10 The Board with respect to the Common Elements and the Building shall have the right to grant such additional electric, gas, water, ventilation, communications or other easements for utilities or otherwise, or relocate such easements, as it deems necessary or desirable for the proper operation and Maintenance of the Building, the Common Elements or the Units, as the case may be, or any portion thereof, or to complete the Building, or for the general health, safety or welfare of the Permitted Users of the Units; provided that (i) such additional utilities or the relocation of existing utilities will not prevent or materially interfere with the normal conduct of business of tenants and occupants in the Units or with the use of the Units for their permitted purposes or diminish the square footage of the Units, (ii) any Work shall comply with all of the requirements of the By-Laws including, but not limited to Sections 5.16 thereof, and (iii) there shall be no Adverse Effect on any Unit Owner. Any utility company and its employees and agents shall have the right of access, upon not less than five (5) Business Days' Notice, except in an Emergency, to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such manner as shall not materially interfere with the normal conduct of business in the Units or with the use of the Units for their permitted purposes. Any fees, compensation or other profits received by the Board as common profits of the Unit Owners shall be distributed to the Unit Owners in accordance with their respective Common Interests or applied against each Unit Owner's respective Common Charges.

16.11 A Unit Owner, solely with respect to its Unit, shall have the right to grant such additional electric, gas, water, ventilation, communications or other easements for utilities or otherwise, or relocate such easements, all solely within such Unit or in such Unit Owner's exclusive easement areas, as such Unit Owner shall deem necessary or desirable for the proper operation and Maintenance of such Unit, or for the general health, safety or welfare of the Permitted Users of such Unit; provided that (i) such additional utilities or the relocation of existing

utilities will not prevent or materially interfere with the normal conduct of business of tenants and occupants of any other Unit or with the use of any other Unit for its permitted purposes or diminish the square footage of such other Units, (ii) any Work shall comply with all of the requirements of the By-Laws including, but not limited to Sections 5.15 thereof, and (iii) there shall be no Adverse Effect on any other Unit Owner. Any fees, compensation or other profits received by the Unit Owner in furtherance of the aforesaid easements shall be the property of the Unit Owner granting such easements, as applicable. With respect to the Residential Units, the rights set forth in this Section 16.101 may only be exercised by the Residential Board and not by the Residential Unit Owners.

16.12 The Board shall have the right, at reasonable times and intervals and upon reasonable advance Notice, to enter into the Land and the Building and all Common Elements and Units therein to inspect the structural condition of the Building and to inspect, Maintain and perform Work on the Building, and the Utility Facilities and any other Facilities that the Board is permitted or required to Maintain; provided, however, that only such Notice as shall be practicable under the circumstances (including no Notice) shall be required in order to inspect or correct conditions imminently dangerous to persons or property or otherwise constituting an Emergency.

16.13 The Unit Owners shall each have the right to install, utilize, operate, Maintain and perform Work in connection with Satellite Equipment on the Roof which exclusively serves such Unit for the operations of the Unit Owners, tenants or occupants of their respective Units (subject to non-interference, relocation and other restrictive provisions that are commercially reasonable and typical in Brooklyn telecommunications agreements giving due consideration to the fact that such Satellite Equipment may be necessary for the operation of the businesses located within each Unit and that such Satellite Equipment cannot unreasonably interfere with telephone, television and other telecommunication services available to any other Unit Owner or block the view of any windows in the Residential Section, which determination shall be made by the Board with the consent of the Retail Unit Owner). Both the Retail Unit Owner, Sponsor and the Residential Board shall reasonably designate the area on the Retail Unit upon which Satellite Equipment may be placed by the Retail Unit Owner. The Unit Owners shall not install any Satellite Equipment which is to be utilized by a Person other than such Unit Owner or an occupant of such Unit to operate their respective businesses. Any such Satellite Equipment, to the extent placed on or extending above a Roof, shall be installed in a manner that minimizes the nuisance element of such placement and is consistent with occupancy of the Roof. Installation of any such Satellite Equipment shall be at each Unit Owner's sole cost and expense, and such Unit Owner shall, at its own cost and expense, Maintain its Satellite Equipment and any portion of the Common Elements used in connection therewith, if any. Except as provided below with respect to the relocation of Satellite Equipment, in no event shall any costs incurred in connection with the installation, operation, Maintenance or performance of Work in connection with any of the Satellite Equipment owned or operated by one Unit Owner be considered a Common Expense or otherwise be allocated to any other Unit Owner. The location of the Satellite Equipment shall be subject to relocation to other portions of a Roof (i) if reasonably required by a Unit Owner who owns or operates such Satellite Equipment, or (ii) if requested by (and at sole cost and expense of) a Unit Owner who does not own or operate such Satellite Equipment upon forty-five (45) days' prior Notice to the Unit Owner owning or operating such Satellite Equipment or its respective tenant (except in case of an Emergency) with the consent of such other Unit Owner, not to be unreasonably withheld, conditioned or delayed. The relocation of any and all Satellite Equipment by a Unit Owner (other than the Sponsor or the Residential Board**)** requires the prior written consent of the Sponsor or the Residential Board, as applicable**,** not to be unreasonably withheld, conditioned or delayed. Any permitted relocation of the Satellite Equipment by a Unit Owner (i) shall be performed in such manner as to minimize the interference with the use of such Satellite Equipment by the owning or operating Unit Owner or the occupants of its Unit and shall not impair

the services provided or type of equipment used, prior to such relocation of the Satellite Equipment except in an Emergency (and except as otherwise provided in this Declaration and the By-Laws), the exercise of the rights granted in the aforesaid easement with respect to the Maintenance, performance of Work, operation or relocation of any easements as aforesaid or as provided elsewhere in the Declaration or By-Laws, (ii) shall not have an Adverse Effect upon any other Party other than the Exercising Party, (iii) shall not result in the imposition of any mechanic's or other monetary lien against any Unit; and (iv) shall be in compliance with Law. With respect to the Residential Units, the rights set forth in this Section 16.13 may only be exercised by the Residential Board and not by any Residential Unit Owner.

16.14 Any Party authorized or having the right to install or perform Alterations, or relocate Facilities or Building Systems Equipment pursuant to any provision of this Declaration or the By-Laws shall have an easement over the Common Elements and the Units in order to do so, subject to and in accordance with all other provisions of this Declaration and the By-Laws.

16.15 Unless expressly provided otherwise in this Declaration, the easements granted in this Article 16 may be exercised without the necessity of obtaining the consent of the Board and/or the other Unit Owners. Each Party having easement rights under this Declaration shall exercise those rights in compliance with the other provisions of this Declaration and the By-Laws and shall indemnify and hold harmless the Board and all other Unit Owners from and against any Claim by any Person arising out of or in connection with the exercise of such rights.

16.16 Each Unit Owner shall have an easement to share the use of Common Elements that are not exclusively serving a particular Unit Owner as set forth in this Declaration or the Bylaws of the Condominium.

16.17 Any dispute by and among the Unit Owners and/or the Board as to the nature, scope or interpretation of the easements contained in Article 16 of the Declaration shall be resolved by Arbitration in accordance with the provisions of Article 10 of the By-Laws.

16.18 Sponsor shall have an exclusive right and easement whish shall be revocable at the election of the Residential Board (i) to erect, use, lease, maintain repair, replace and operate (a) antennae, satellite dishes and other communication equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Residential Section and elsewhere on the Residential Common Elements (excluding Terraces and Storage Bins appurtenant to Residential Unit(s)) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and /or repair any sign and/or lighting permitted by Law on the Residential Section for the purpose of advertising the sale of any Residential Unit, the leasing of space in any Residential Unit or the operation of any business of a tenant or occupant of any Residential Unit. In order to effectuate Sponsor's use of the Residential Common Elements, as described above, Sponsor shall first enter into a license agreement with the Residential Board that shall be revocable at the Residential Board's election. Such license agreement shall be between the Residential Board and the licensee although Sponsor shall have the right to collect any licensing fees (as well as initiation fees, if any) until such time as the Residential Board terminates such agreement. Upon such termination, any fees payable by the licensee would then be payable to the Residential Board.

16.19 The easement described in Schedule 2.5 of the Declaration entitled "Rooftop Mechanical Units" shall be as follows: The Retail Unit Owner shall have an easement to access the Rooftop Mechanical Units by entering the "Egress Easement" located on the Cellar level of

the Residential Section from the Cellar level of the Retail Unit to either: (i) Stair B and up through Stair B to the Roof level of the Building; or (ii) the elevator located at the Cellar level of the Residential Section up to the Third Floor of the Building and up Stair B to the Roof level of the Building (provided, however, that such easement for use of the elevator shall not include access to any other level of the Residential Section except for the Third Floor to access Stair B to the Roof), and both of such easements shall extend sufficiently on the Roof level to permit access by the Retail Unit Owner to all Rooftop Mechanical Equipment as shown on the Roof Plan. The Retail Unit Owner shall have such easement for the purpose of installing, removing, repairing, servicing maintaining and replacing the Rooftop Mechanical Equipment.

ARTICLE 17

COMMERCIAL LEASES

17.1 The Retail Unit Owner has the right to enter into leases for all or any portion of the Retail Unit (as same may be modified, amended, supplemented or restated from time to time, such leases are hereinafter referred to as the "Leases"). Neither the Board nor any Unit Owner will take, permit or suffer any actions with respect to any portion of the Property which the landlord cannot, with respect to such portion of the Property, take under the terms of any Lease identified on Exhibit G annexed hereto (the "Existing Lease"), provided and so long as such Existing Lease is in effect. All rights which may be exercised by the Board with respect to the Units and the Condominium are subject to the rights of the tenants under any Existing Lease so long as the Existing Lease is in effect. Each Unit Owner is granted such rights as the landlord has under an Existing Lease covering a portion of such Unit Owner's Unit. Each Unit Owner is authorized to exercise under this Declaration and the By-Laws all rights granted to the tenant under the Existing Lease entered into by such Unit Owner and to the extent granted under an Existing Lease, the tenant thereunder shall have all rights of the Unit Owner granted pursuant to this Declaration and the By-Laws and may take all actions which a Unit Owner has obligated itself to perform or has granted the right to a tenant to perform under its Existing Lease, including, without limitation, exercising any rights of "self-help" granted to a tenant under the Existing Lease so long as such Existing Lease is in effect. The term "so long as the Existing Lease is in effect" or similar words shall include (i) any "as of right" renewals or extensions contained in such Existing Lease as of the Declaration Date, and (ii) any other renewal or extension right contained in the Existing Lease (including any Existing Lease containing an "as of right" renewal or extension option) provided that no such renewal or extension gives the tenant thereunder any greater rights than the Existing Lease. Notwithstanding the foregoing, all costs and expenses of providing any additional services beyond that contained herein for the Unit Owners, or which may be incurred by another Unit Owner or the Board in connection with the Existing Lease shall be borne as a Unit Expense solely of the Unit Owner who is the landlord under such Existing Lease, except as may be otherwise provided herein.

17.2 All Leases other than the Existing Lease shall be subject and subordinate to the terms and conditions of the Condominium Documents. A Unit Owner may grant to a tenant in any Lease entered into by it for all or a portion of its Unit, any and all of the rights the Unit Owner has under this Declaration and the By-Laws, provided in no event shall a tenant under a Lease be entitled to exercise any voting rights of a Unit Owner under the Condominium Documents or to designate any Board members or officers of the Condominium or exercise any power of attorney granted to a Unit Owner in this Declaration or to execute any applications, instruments or documents or other agreements on behalf or in lieu of a Unit Owner. The Unit Owner granting a tenant under a Lease any of its rights under this Declaration or the By-Laws shall indemnify, defend, and hold harmless the Board and the other Unit Owners from all Claims arising out of the granting or exercise of such rights by any of its tenants under a Lease. The foregoing

indemnification shall not affect any legal or equitable obligations the tenant under a Lease has to the indemnifying Unit Owner in regard to any such Claims.

17.3 Notwithstanding anything to the contrary set forth in this Declaration: (i) with respect to the rights of tenants under Leases granted under this Declaration, in the event of a conflict between the rights granted to more than one such tenant, the rights of the tenant to which such conflicting rights were first granted shall govern and (ii) in the event of any inconsistency between the provisions of this Article 17 and any other provisions of this Declaration or the By-Laws, the provisions of this Article 17 shall govern.

17.4 The Retail Unit may not be leased for residential purposes.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration and the By-Laws and, with respect to the Residential Units, the Residential By-Laws, which are annexed hereto and made a part of this Declaration, and any rules and regulations adopted by the Board and, with respect to the Residential Section, adopted by the Residential Board, including, without limitation, the provisions of this Article 18 of the Declaration, shall to the extent applicable and unless otherwise expressly provided to the contrary in this Declaration or the Bylaws, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions of this Declaration and the Bylaws shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other Permitted Users of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and any reasonable, customary and non-discriminatory rules and regulations adopted by the Board, as they may be amended from time to time subject to the reasonable approval of the Unit Owners. The acceptance of a deed of 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 any rules and regulations adopted by the Board, as they may be amended from time to time in accordance with the provisions of this Declaration and the By-Laws, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any Person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deleted from this Declaration or the By-Laws, as the case may be, by the Declarant by duly filing an amendment to this Declaration or the Bylaws in compliance with all Law. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such missing provision shall be included as part of this Declaration or the By-Laws, as the case may be, by the Declarant by duly filing an amendment to this Declaration or the Bylaws in compliance with all Law for the purposes of submitting the Property to the provisions of the Condominium Act.

ARTICLE 19

POWER OF ATTORNEY TO THE BOARD, RESIDENTIAL BOARD AND SPONSOR

19.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Board, jointly, to:

19.1.1 acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Board or its designee, on behalf of all Unit Owners;

19.1.2 convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

19.1.3 execute, acknowledge and deliver any declaration or other instrument with respect to a Unit Owner's exercise of Development Rights in accordance with the provisions of this Declaration.

19.2 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Residential Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, the Persons who shall from time to time constitute the Residential Board, jointly, to:

19.2.1 Acquire, lease or license any Residential Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, sublease or surrender the same or acquire any Residential Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, in the name of the Residential Board or its designee, on behalf of all Residential Unit Owners;

19.2.2 convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Residential Unit so acquired or to sublease any Residential Unit so leased;

19.2.3 employ counsel for purposes of protesting the New York City real property assessment with the Tax Commission and commencing, pursuing, appealing, settling and/or terminating administration and tax certiorari proceedings on behalf of the Residential Unit Owners for the reduction of the assessed valuation of the Residential Units, such Residential Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings on their own initiative and on their own behalf;

19.2.4 execute, acknowledge and deliver (1) any declaration or other instrument affecting the Residential Section which the Residential Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Residential Section which the Residential Board deems necessary or appropriate or (3) any protest and tax certiorari proceeding documentation affecting the Residential Units;

19.2.5 bring an action to foreclose the lien of the Residential Board in accordance with Section 339-aa of the Real Property Law of the State of New York or any other lien, if any, which the Residential Board may place on a Residential Unit hereunder or in accordance with the Residential By-Laws, purchase or otherwise acquire the interest of the owner of such Residential Unit at a foreclosure sale resulting from any such action, in the name of the residential Board o, or its designee, (corporate or otherwise), on behalf of all Residential Unit Owners, and after such acquisition to convey, sell, lease, license, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any such Residential Unit so acquired or to sublease any Residential Unit so leased, without the necessity of further authorization by any Unit Owner or any other Person, on such terms as the attorneys-in-fact may determine.

19.3 Each Residential Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Residential Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Residential Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, Sponsor, to:

19.3.1 Amend the Condominium Documents pursuant to the terms thereof, and to effectuate the rights of Sponsor under the Condominium Documents; and

19.3.2 Effectuate Sponsor's or any Development Right's Owner's utilization, sale or transfer of all or any portion of the Excess Development Rights, as set forth in this Declaration.

19.4 Upon the request of the Board, a Unit Owner, or with respect to the Residential Section, upon request of the Residential Board or Sponsor, a Residential Unit Owner, shall confirm in writing the foregoing power of attorney, but the failure to issue or record a written confirmation shall in no way affect the validity of the Board's or the Residential Board's or Sponsor's power of attorney, as the case may be.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 All references in this Article 20 to "this Declaration" or "the Declaration" shall mean and include this Declaration and/or the By-Laws and the Residential By-Laws (whether or not the By-Laws or Residential By-Laws are expressly indicated). Subject to applicable Laws, any provision of the Declaration or the By-Laws and Residential By-Laws may be amended, modified, added to, or deleted by a Special Board Majority, provided, however, that:

20.1.1 Any provision of the Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Retail Unit Owner or its Unit, and which does not have an Adverse Effect on any other Party, may be added to, amended, modified or deleted by the Residential Board or Retail Unit Owner, as applicable, without the consent of the Board, Residential Board or the other Unit Owners not adversely affected thereby. No such amendment, modification, addition or deletion to the Declaration ("Proposed Amendment") shall be effective (x) unless the Residential Board or Unit Owner proposing the Proposed Amendment shall have provided the Board, Residential Board, and other Unit Owners, as the case may be, with a copy of the Proposed Amendment along with a certification that the Proposed Amendment does not have an Adverse Effect on any other Party, if any, at least thirty (30) days prior to the date that such Unit Owner intends to submit the Proposed Amendment to the City Register's Office and (y) until recorded in the City Register's Office. Any dispute with respect to whether any such Proposed Amendment has an Adverse Effect on any other Party shall be settled by Arbitration; provided, however, that no such dispute with respect to whether the Proposed Amendment (or any

amendment, modification, addition or deletion of any provision thereof) has an Adverse Effect shall be deemed to exist unless the objecting Party specifies the grounds for its objection in writing to the other Party and the Board, Residential Board, and other Unit Owners, as the case may be, within fifteen (15) Business Days of receipt by it of a copy of such Proposed Amendment with the required certification. Any such Proposed Amendment shall be executed by a member of the Board or Residential Board, as the case may be, designated by the Unit Owner promulgating the Proposed Amendment as attorney-in-fact for the Unit Owner, coupled with an interest, and each Board Member or Residential Board Member, as the case may be, is hereby authorized by the Unit Owner designating such Board Member to act as its attorney-in-fact for such purpose.

20.1.2 Except as expressly set forth in this Declaration, the Common Interest allocated to each Unit as expressed in Exhibit B annexed to this Declaration shall not be altered without the written consent of the Unit Owner directly affected. No such amendment, modification, addition, or deletion shall be effective until executed and acknowledged by the Board and Unit Owners (if applicable) and recorded in the City Register's Office.

20.2 In the case of a Subdivision Amendment, such amendment shall be made by the Subdividing Unit Owner, without the consent of any other Unit Owner or the Board, subject to and in accordance with the terms and conditions of Article 11 of this Declaration.

20.3 The following restrictions apply to each and every amendment to this Declaration and the By-Laws and Residential By-Laws. A provision of an amendment which violates or is inconsistent with or fails to comply with any of these restrictions shall be null and void.

20.3.1 Notwithstanding any provision contained in this Declaration or the By-Laws and Residential By-Laws to the contrary, but subject to Section 11.8 of the By-Laws, no Unit Owner or member of the Board, as applicable, entitled to vote on any modification, addition, amendment or deletion of or to the Declaration or the By-Laws and Residential By-Laws which adversely impacts the rights and/or obligations of a Recognized Mortgagee shall be permitted to grant its approval thereto unless the Recognized Mortgagee, if any, of the Unit Owner or the Unit Owner that appointed such Board member, as applicable, has given its prior written consent thereto (or is deemed to have consented thereto), which consent shall not be unreasonably withheld, conditioned or delayed except as otherwise expressly set forth in the applicable Recognized Mortgage or Recognized Mortgage loan documents. Any such amendment that is adopted without the prior written consent of the applicable Recognized Mortgagee in accordance with the terms of this Declaration shall be deemed null and void ab initio as to such Recognized Mortgagee.

20.3.2 Without limiting the generality of Section 20.1.1 of this Declaration, no amendment shall be effective against any Unit Owner, without such Unit Owner's consent, which would (i) change the Common Interest of such Unit Owner's Unit; (ii) unreasonably interfere with the sale, lease, permitted uses or other disposition of a Unit owned by such Unit Owner; (iii) adversely impact (other than to a de minimis extent) the use, sale, transfer or other disposition of a Unit Owner's Development Rights; (iv) abridge, suspend, curtail, limit, eliminate or otherwise adversely impact any right, power, easement, privilege or benefit granted or reserved in this Declaration to such Unit Owner; or (v) impose any fee or charge against such Unit Owner in connection with the sale, leasing, or other disposition or improvement of any of its Units.

20.3.3 No amendment relating to the use of a Unit shall be effective against such Unit without the consent of the Unit Owner of such Unit.

20.3.4 No amendment shall change (a) the number of Board members, their term of service or the method of their election, removal or appointment without the consent of all Unit Owners with respect to the By-Laws; or (b) the number of Residential Board members, their term of service or the method of their election, removal or appointment without the consent of a majority of the Common Interests of all Residential Unit Owners with respect to the Residential By-Laws.

20.3.5 Each amendment to this Declaration or the By-Laws and Residential By-Laws must be signed and acknowledged in accordance with the Laws for recording a Unit deed, and shall not be effective, binding or enforceable until recorded in the City Register's Office. A copy of this Declaration and the By-Laws and Residential By-Laws and any amendments thereto shall be filed with the New York State Department of State, as and to the extent required by applicable Law.

20.3.6 Amendments by a Unit Owner (to the extent permitted to be made by solely such Unit Owner), shall be executed by only the applicable Party recording such amendment or, by a designee having authority to act on behalf of such Party; and if requested by such Unit Owner, such amendment shall include a certification by the Secretary or an Assistant Secretary of the Board that neither the Board nor Residential Board nor any other Unit Owner is required to approve such amendment.

20.3.7 The Person authorized to sign, acknowledge, deliver, file and record an amendment to this Declaration is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other Governmental Authority having jurisdiction) and in the City Register's Office any appropriate amendments to the Floor Plans whenever required in connection with such amendment to this Declaration.

20.4 A conformed copy of any amendment to this Declaration and/or the By-Laws and Residential By-Laws and (if applicable) any amendment to the Floor Plans shall be filed promptly with the Secretary or Assistant Secretary of the Condominium or the Condominium Managing Agent by the applicable Party recording the amendment and shall be made available by the Board at the Property or the office of the Condominium Managing Agent for inspection (without charge) and copying (at a reasonable charge) by all Unit Owners, Recognized Mortgagees, prospective purchasers, mortgage lenders or tenants of a Unit, and authorized representatives of each of the foregoing.

20.5 Sponsor reserves the right to make any changes in the proposed Residential By-Laws, Amended and Restated Declaration and the Floor Plans for the Residential Section, and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Residential Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Residential Unit Owner or Purchaser, increase any obligation of a Residential Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or material shall be of substantially equal or better quality. There is a rebuttable presumption that an increase or decrease in the square footage of a Residential Unit, as set forth in Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change.

20.6 The procedures for the creation of, and amendment to, the Rules and Regulations are set forth in Article 13 of the By-Laws and to the Residential By-Laws in Article 13 of the Residential By-Laws.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by the affirmative vote of all Unit Owners (and the consent of any Recognized Mortgagee if required under any such Recognized Mortgage) taken in accordance with the provisions of the By-Laws. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be disbursed into a trust fund for the benefit of all Unit Owners and deemed allocated amongst all Unit Owners in proportion to their respective Common Interests and delivered to the Depositary, which trust fund shall thereafter be distributed by the Depositary to each Unit Owner based upon the relative fair market value of its respective Unit immediately prior to such termination (it being agreed that nothing contained in this Article 21 shall contravene the intention of all Unit Owners to distribute funds to each Unit Owner based upon relative fair market value). However, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens.

ARTICLE 22

WAIVER

No provision contained in this Declaration or the By-Laws (including the Rules and Regulations) and Residential By-Laws (including the Residential Rules and Regulations) shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

CAPTIONS

The captions in this Declaration 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 contained in this Declaration.

ARTICLE 24

CERTAIN REFERENCES

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

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires. When used in this Declaration or the By-Laws and Residential By-Laws, the terms "now", the "date hereof" or the "date of this Declaration" shall

mean the Declaration Date. The term "hereafter" when used in this Declaration or the By-Laws and Residential By-Laws shall mean after the Declaration Date.

24.3 Unless otherwise stated, all references in this Declaration to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration. Whenever in the Declaration or the By-Laws and Residential By-Laws the term "including" is used, it shall be deemed to mean "including without limitation," unless expressly stated otherwise.

24.4 Whenever in the Declaration or the By-Laws and Residential By-Laws the term "not to be unreasonably withheld" or similar terms are used, it shall be deemed to mean "not unreasonably withheld, conditioned or delayed."

24.5 Whenever this Declaration or the By-Laws and Residential By-Laws provide that any Party is permitted to perform any act or exercise any rights under the Declaration or the By-Laws and Residential By-Laws, such Party may authorize other Persons to do so, unless otherwise prohibited by Applicable Law or the provisions of this Declaration and the By-Laws and Residential By-Laws. Whenever this Declaration or the By-Laws and Residential By-Laws refers to any act performed by, or exercise of rights by, any Party, such reference shall include any acts performed by, or rights exercised by, any such other Person so authorized by such Party.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Section 17.2 of the Declaration, if any provision of this Declaration is invalid or unenforceable as against any Person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise provided in this Declaration, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 The Board (including the members and officers of the Board), the Residential Board (including the members and officers of the Residential Board),each Unit Owner and all other Persons (including lessees and sublessees of a Unit Owner and mortgagees) having an interest in the Property or a Unit who are subject to this Declaration (each of the foregoing, an "Interested Person"), shall, upon reasonable prior written request of a Party, and at such requesting Party's expense, including any reasonable fees and disbursements of construction professionals and attorneys incurred by the Interested Person in connection with such request, execute, acknowledge and deliver to such Party such instruments, in addition to those specifically provided for in this Declaration, and take such other action as such Party may reasonably request to effectuate the provisions of this Declaration and/or the By-Laws and Residential By-Laws and any transaction contemplated in this Declaration or therein or to confirm or perfect any right to be created or transferred under this Declaration or pursuant to any such transaction ("Required Action").

26.2 Any Interested Person must, within ten (10) Business Days after its receipt of written request therefor, (i) take a Required Action or (ii) object to taking a Required Action. In

the event such Interested Person does not take the Required Action or does not object to same within the ten (10) Business Day period then, the Board is hereby authorized as attorney-in-fact for such Interested Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Interested Person and such document or action shall be binding on such Interested Person. In the event of any objection by an Interested Person as to whether or not a request pursuant to this Section 26.2 involves a Required Action, and upon Arbitration the arbitrator determines that the action in question is a Required Action, then the Board or Residential Board, as applicable, is hereby authorized as attorney-in-fact for such Interested Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Interested Person and such document or action shall be binding on such Interested Person. Any Interested Person who executes, acknowledges or delivers any document or takes any action pursuant to a request by another Party and which constitutes a Required Action under Section 26.1 of this Declaration shall have no personal liability in connection therewith and shall be indemnified, defended and held harmless with respect thereto by the Party making the request.

26.3 Each Unit Owner shall have the affirmative duty to Maintain its respective Unit and, in the case of Resultant Units, its appurtenant limited common elements, if any, in such a manner so as to reasonably prevent and avoid imposing an Adverse Effect upon another Party. The Board, the Residential Board a Unit Owner, and a Unit Owner's Recognized Mortgage, may abate and enjoin a violation by such Unit Owner in accordance with Section 5.24 of the By-Laws and the applicable provisions of the Residential By-Laws.

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth in this Declaration or in the By-Laws and Residential By-Laws to the contrary, the rights and/or obligations of the Board, the Residential Board and the Unit Owners shall inure to the benefit of and be binding upon any successor or assign of the Unit Owners and shall constitute and be enforceable with respect to the Property as a covenant running with the Land.

ARTICLE 28

NON-RECOURSE

All covenants, stipulations, promises, agreements and obligations of a Unit Owner contained in this Declaration shall be deemed to be covenants, stipulations, promises, agreements and obligations of such Unit Owner and not of any shareholder, affiliate, member, partner, trustee, director, officer, manager, employee or agent of such Unit Owner, and no recourse shall be had under this Declaration against any such shareholder, affiliate, member, partner, trustee, director, officer, manager employee or agent. The liability of any Unit Owner under this Declaration or the By-laws and Residential By-Laws for damages or otherwise, including as a result of any breach of the covenants, stipulations, promises, agreements and obligations of a Unit Owner contained in this Declaration or in the By-laws and Residential By-Laws, shall be limited to such Unit Owner's interest in its Unit(s) and its rights under this Declaration and under the By-laws and Residential By-Laws, including (i) the rents, issues and profits thereof, (ii) the proceeds of any insurance policies covering or relating to its Unit and Appurtenant Interest, (iii) any awards payable in connection with the condemnation of its Unit (or its Common Interest) or any part thereof and (iv) amounts received or receivable by a Unit Owner

in connection with a sale of its Unit to the extent that such amounts have not been distributed by such Unit Owner. Neither any Unit Owner nor any of its direct or indirect shareholders, affiliates, members, partners, trustees, directors, officers, managers, employees or agents shall have any liability (personal or otherwise) beyond such Unit Owner's interest in its Unit(s) and its rights under this Declaration and under the By-laws and Residential By-Laws and no other property or assets of such Unit Owner or any of its direct or indirect shareholders, affiliate, members, trustees, partners, directors, officers, managers, employees or agents of such Unit Owner shall be subject to levy, execution or other enforcement procedures for the satisfaction of the Board's, any other Unit Owner's or any other Person's remedies under this Declaration or under the By-laws and Residential By-Laws or at law or in equity with respect to this Declaration or the By-laws and Residential By-Laws or the Condominium.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in the Exhibits annexed to this Declaration are each incorporated in this Declaration by this reference and made a part of this Declaration as if set forth at length in the text of this Declaration.

ARTICLE 30

PROVISIONS REGARDING INTERNATIONAL ORGANIZATIONS

30.1 Waiver of Immunity. By its acceptance of a deed to a Unit, or the succeeding to title to, or the entering into of a lease or the act of occupancy of a Unit or part thereof, each Unit Owner or Permitted User that is a foreign government or the United Nations, any agency, department, embassy, consulate or mission or governmental entity of a foreign state or the United Nations, or any other international organization or instrumentality entitled to diplomatic or sovereign immunity (each, an "International Organization"):

30.1.1 Expressly acknowledges and agrees that the purchase or lease of such Unit constitutes commercial activity by such International Organization within the meaning of the Foreign Sovereign Immunities Act of 1976, 28 U.S.C. §1602, et seq., as the same may be amended or modified ("FSIA");

30.1.2 Expressly and voluntarily waives any sovereign immunity from the personal jurisdiction of the courts of the United States and of a State as to any controversy, dispute or Claim in connection with or relating to the Condominium Documents, the Property or its ownership, use, occupancy or operation of its Unit;

30.1.3 Expressly and voluntarily waives all rights to immunity from pre-judgment attachment, attachment in aid of execution, or from execution, upon a judgment entered by a court of the United States or of a State, irrespective of the use of the Unit;

30.1.4 Irrevocably and unconditionally (i) consents to any suit, action or proceeding arising out of or relating to the Condominium Documents, the Property or its ownership, lease, use, occupancy or operation of its Unit being brought in any state or federal court in the State of New York; (ii) waives any objection which it may have now or hereafter to the laying of the venue of any such suit, action or proceeding under clause (i) above, in any such court, or claim that any such suit, action or proceeding under clause (i) above, has been brought in an inconvenient forum; and

(iii) acknowledges the competence of any such court and submits to the jurisdiction of any such court in any such suit, action or proceeding; and (iv) agrees that any final non-appealable order or judgment issued by any such court in any such suit, action or proceeding shall be conclusive and binding upon it and may be enforced in the courts of such International Organization's country of origin once a further judgment has been obtained in the courts of such International Organization's country of origin, which further judgment may as a matter of practice be obtained without re-litigation on the merits of the matter adjudicated upon by such state or federal court in the State of New York, a certified or exemplified copy of which shall be conclusive evidence of the fact and of the amount of its obligation; provided that service of process is effected upon it in the manner specified above or as otherwise permitted by law; and (v) irrevocably consents to service of process upon it out of said courts in any such suit, action or proceeding by mailing copies thereof by registered or certified mail, postage prepaid, to such International Organization at the Property; and

30.1.5 Agrees that, in connection with any such suit, action or proceeding in the state or federal courts in the State of New York, to the extent that FSIA is applicable to such International Organization, the waiver of immunity and arrangements for service of process set out in this Declaration are made in conformity with, and shall be governed by FSIA, and the foregoing provisions constitute a special arrangement for service between such International Organization and each other Person entitled to enforce the provisions of this Article for the purposes of FSIA.

30.2 Designation of Agent for Service of Process. For the purpose of any suit, action or proceeding taken in any state or federal court in the State of New York, each International Organization shall designate and maintain an agent for service of process in the City of New York, State of New York, a copy of which designation shall be promptly submitted to the Board. Absent a written designation of another Person executed and delivered to the Board by the International Organization, each International Organization shall be deemed to have irrevocably designated, appointed and empowered the Condominium Managing Agent as its duly authorized and lawful agent to receive process for and on behalf of such International Organization in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Condominium Documents, the Property, or the International Organization's ownership, use, occupancy and operation of its Unit. Nothing contained in this Declaration is intended or shall be deemed to limit the rights of the Board or any other Unit Owner to serve process in any other country or any other manner permitted by law or to bring any legal action or proceeding or to obtain an attachment or execution of judgment in any competent jurisdiction, including in the courts of the International Organization's country of origin.

30.3 Compliance with Law. If, as a result of its status as a Governmental Authority or International Organization, any Unit Owner or Permitted User is exempt from compliance with any Laws required to be complied with under the Declaration or the By-Laws and Residential By-Laws, such Governmental Authority or International Organization, by its acceptance of the deed to its Unit or the entering into a lease or other act of occupancy of a Unit: (i) shall be deemed to have agreed to comply and shall be required under this Declaration to comply with such Laws notwithstanding any exemption therefrom and (ii) shall be liable to the other Unit Owners, the Condominium and the Board for any Claims arising from its non-compliance with such Laws. Notwithstanding the foregoing, no Unit Owner shall be required to pay any real estate taxes or sales and use taxes for which it has an exemption (except to the limited extent set forth in Section 5.1.10 of the By-Laws) or comply with any Laws which it has successfully contested, to the extent (A) such contest is permitted under the Declaration or the By-Laws and Residential By-Laws and (B) the basis for such contest is not such Unit Owner's status as a Governmental Authority or International Organization.

ARTICLE 31

PRIORITY OF LIEN FOR COMMON CHARGES

31.1 Entitlement to Lien. All sums due under this Declaration or under the By-Laws for Common Charges and Residential By-Laws for Residential Common Charges (whether actual or estimated) and Unit Expenses which become due and payable under this Declaration or under the By-Laws and Residential By-Laws by the Unit Owner of a Unit (whether or not the underlying expense, cost or liability has been paid by the Board and whether or not an advance is made to the Board with respect thereto by the other non-Defaulting Unit Owner) shall be deemed to be "common charges" under the Condominium Act and, if not paid when due, shall, together with interest thereon at the Default Rate, until paid, constitute a lien on the interest of the delinquent Unit Owner on its Unit. Each Unit Owner consents to the filing by the Board (or any Board member or officer on behalf thereof) after an Event of Default of any and all documentation necessary or desirable to perfect and/or secure such lien, and all costs and expenses incurred to so perfect and/or secure such lien shall itself be a Unit Expense of and paid by the Unit Owner of the Unit against whom such lien is filed. If the Board (or a Board member or officer on behalf thereof) shall file a notice of lien or other documentation to perfect and/or secure a lien against the interest of a delinquent Unit Owner in its Unit, Notice thereof shall be promptly provided to the Unit Owner of such Unit and any Recognized Mortgagee of such Unit. Upon payment of the amount secured by any lien which is filed as aforesaid (including all interest due thereon), a Unit Owner shall be entitled to an instrument from the Board, duly executed and acknowledged and in recordable form, certifying to the fact of payment and satisfaction of such filed lien.

31.2 Priority of Common Charges Lien. To the fullest extent permitted by Law, any mortgage on a Unit and the lien thereof shall be subject and subordinate to the lien for Common Charges (including Unit Expenses), together with interest thereon, held by the Board, and the lien of the Board to secure Common Charges (including Unit Expenses), together with interest thereon, shall be prior to all other liens except only liens for taxes assessed against the Unit in favor of any assessing Governmental Authority, school district, special district, county or other taxing authority liens for taxes on a Unit in favor of any Governmental Authority.

31.3 Decision of the Board to File a Lien. The decision of the Board to file a lien for unpaid Common Charges against a Unit shall be made by a majority of the Disinterested Board Members in accordance with the provisions of Section 5.12 of the By-Laws.

ARTICLE 32

GENERAL DEFAULT PROVISIONS

32.1 Remedies of the Board.

32.1.1 Generally. The Board shall be entitled upon the occurrence of a default, after the giving of any required Notice and the expiration of any applicable grace periods (each, an "Event of Default"), to exercise any remedies it may have at law or in equity with respect to such Event of Default, including the right to specific performance or injunction where appropriate. Notwithstanding the foregoing, the Parties hereby agree that a remedy of specific performance or injunction shall be appropriate in the event of a breach or threatened breach by any Unit Owner or Permitted User of any of the provisions of this Declaration, such remedy to be available whether or not such default has ripened into an Event of Default.

32.1.2 Setoff Right. Upon the occurrence and during the continuance of an Event of Default, the Board shall be entitled to apply against any Unit Owner's unpaid Common Charges or any other amount due and owing to the Board under this Declaration or the By-Laws from such defaulting Unit Owner ("Defaulting Unit Owner"), such Defaulting Unit Owner's share of any common income or profits or any other amount which the Board would otherwise be obligated to pay to such Defaulting Unit Owner (and any such application shall be deemed to satisfy the Board's obligation under this Declaration to distribute or pay such funds to such Defaulting Unit Owner, up to the amount so applied); provided, however that the Board shall be required to notify the Defaulting Unit Owner prior to offsetting such unpaid amounts against any such common income or profits or any other such amount.

32.1.3 Right of Non-Defaulting Unit Owner to Pay. If a Unit Owner has failed to make any payment of any Common Charges or other amount which is then due and payable under this Declaration or the By-Laws, another Unit Owner ("Creditor Unit Owner") shall have the right, but not the obligation, to advance such amount (or any portion thereof) to the Board, but the foregoing shall not affect the obligation of the Defaulting Unit Owner to pay such Common Charges or other amount. With respect to any amount advanced by a Creditor Unit Owner as provided above, such Creditor Unit Owner shall be entitled to receive (and the Board shall immediately pay over to such Creditor Unit Owner) any amount paid to the Board by or on behalf of the Defaulting Unit Owner toward or otherwise recovered by the Board with respect to such Common Charges or other amounts due and payable under this Declaration or the By-Laws up to the amount so advanced therefor, with interest, if payable under this Declaration, on such defaulted payment at the Default Rate for the period from the date such funds were so advanced by such Creditor Unit Owner through the date such defaulted payment is so paid by or on behalf of such Unit Owner or otherwise recovered by the Board.

32.2 Damages. Unless expressly so stated to the contrary in this Declaration or the By-Laws, no rights or remedies afforded to the Board or any Unit Owner under this Article 32 or any other provision of this Declaration or the By-Laws shall entitle any Party to any consequential, special or punitive damages (except to the extent of any third party Claims therefor in connection with any matters for which a Person is indemnified under any provision of this Declaration or the By-Laws).

32.3 Remedies Cumulative. All rights, remedies and privileges of the Board, any Unit Owner, or any Recognized Mortgagee shall be cumulative, and the exercise of any one or more, or failure to exercise any one or more, shall not constitute an election of remedies, nor shall it preclude the party exercising the same or failing to exercise the same from exercising other and additional rights, remedies or privileges as may be granted to such party by this Declaration, the By-Laws or pursuant to law or equity.

32.4 Unit Owner's Remedies. Without limiting any other rights or remedies a Unit Owner may have with respect to a matter to be resolved by Arbitration under the Condominium Documents, any failure of the Board or any other Unit Owner to comply with its respective obligations under the Condominium Act, this Declaration, the By-Laws, and the Rules and Regulations, or threatened breach of such obligations, shall entitle a Unit Owner to commence an action against such Party solely for injunctive relief prior to the commencement of such Arbitration.

ARTICLE 33

INDEMNIFICATION

33.1 Each Unit Owner shall indemnify and hold harmless all other Unit Owners, the Board, and any Resultant Board from and against all Claims which may be imposed upon or incurred by any of the foregoing by reason of: (i) any Work performed or required to be performed by such Unit Owner on or about the Property; (ii) any negligence or wrongful acts or omissions on the part of such Unit Owner or any of its officers, directors, shareholders, trustees, members, managers, partners or other Permitted Users, or (iii) any failure on the part of such Unit Owner to perform or comply with any of the terms or conditions contained in this Declaration and the By-Laws on its part to be performed or complied with.

33.2 Whenever a Person is required under any provision of this Declaration or the By-Laws and Residential By-Laws to "indemnify" or give any other Person(s) an "indemnification" (each, an "Indemnitor") then such Person shall indemnify, defend and hold harmless the other Person and its respective directors, officers, trustees, partners, members, managers, agents, employees, representatives, successors and assigns (collectively, the "Indemnitees" and individually, an "Indemnitee") to the full extent lawful, from and against all Claims which shall be paid as incurred, related to or arising from the indemnified matter, including without limitation, reasonable attorneys' fees, disbursements and court costs incurred in connection with the prosecution of such indemnification. The Indemnitor shall reimburse the Indemnitee, upon demand, for any moneys which the Indemnitee is required to pay out for any reason whatsoever, either in connection with, or as an expense in defense of, any claim, civil or criminal action, proceeding, charge or prosecution made, instituted or maintained against Indemnitee, or both parties, jointly or severally.

33.3 The Indemnitor shall defend the applicable Indemnitee with counsel reasonably satisfactory to such Indemnitee, shall keep the Indemnitee apprised of all legal proceedings and shall not enter into any settlement without the Indemnitee's prior written consent, which shall not be unreasonably withheld; provided that the Indemnitee Party shall not be deemed to be unreasonable if the settlement does not provide for a complete release of all civil and criminal liabilities and payments against the Indemnitee. Promptly after receipt by the Indemnitee of Notice of any Claim or the commencement of any action or proceeding covered by the indemnity pursuant to any of the provisions of this Declaration or the By-Laws and Residential By-Laws, the Indemnitee shall notify the Indemnitor and the Board (if the Board is not the Indemnitor in such case) in writing of such claim or the commencement of such action or proceeding. The indemnifying Person's insurer shall be entitled to assume the defense of any Claim. In such event, the counsel selected by such insurer shall be deemed satisfactory to the Indemnitee. If the Indemnitee chooses to retain separate counsel with respect to any matter for which the Indemnitee is indemnified under this Declaration, the Indemnitee shall not be entitled to indemnification for attorneys' fees or disbursements incurred in connection therewith except in the event of a conflict of interest which requires the Indemnitee to retain separate counsel.

33.4 The provisions of this Article 33 shall be applicable to any indemnity given or required to be given under the provisions of this Declaration or the By-Laws and Residential By-Laws, whether or not expressly so stated in any particular provision giving or requiring such indemnity, whether involving Units or Resultant Units. Nothing contained in this Article 33 shall be deemed to supersede or circumscribe any express limitation on or express expansion of any indemnity given or required to be given under the provisions of this Declaration or the By-Laws.

ARTICLE 34

MISCELLANEOUS

34.1 Cooperation. The Unit Owners shall act in a spirit of cooperation in order to further the interests of the Condominium, and except to the extent expressly limited or conditioned in this Declaration, the By-Laws or the Rules and Regulation and Residential By-Laws or the Residential Rules and Regulations, or otherwise in conflict with the interests of a given Unit Owner, in a manner that will not impede, interfere or oppose the rights of another Unit Owner to the use and enjoyment of its respective Unit. Whenever a Party is required under any provision of the Declaration or By-Laws and Residential By-Laws to cooperate with another Party, at no cost or expense to the cooperating Party, the cooperating Party shall not incur any liability for providing such cooperation, and the Party requesting such cooperation shall indemnify and hold the cooperating Party harmless from and against all Claims by any Person arising out of such cooperation, except in the event of the cooperating Party's gross negligence or willful misconduct or unjustified failure to cooperate.

34.2 No Requirement to be Reasonable. Notwithstanding anything contained in Section 34.1 of this Declaration to the contrary, any consent or approval required of a Unit Owner in any provision of the Declaration or the By-Laws and Residential By-Laws may be withheld in such Unit Owner's sole and absolute discretion, unless the provision requiring such consent or approval expressly states that such Unit Owner shall not unreasonably withhold, condition or delay such consent or approval. If any dispute shall arise as to whether a party is acting reasonably, such dispute shall be resolved by Arbitration pursuant to Article 10 of the By-Laws or applicable provision of the Residential By-Laws.

34.3 Authorization of other Persons to Take Action. Whenever this Declaration or the By-Laws and Residential By-Laws provides that any Party is permitted to perform any act or exercise any rights under this Declaration or the By-Laws and Residential By-Laws, such Party may authorize other Persons to do so, unless otherwise prohibited by Law or the provisions of this Declaration and the By-Laws and Residential By-Laws. Whenever this Declaration or the By-Laws and Residential By-Laws refers to any act performed by, or exercise of rights by, any Party, such reference shall include any acts performed by, or rights exercised by, any such other Person so authorized by such Party.

ARTICLE 35

RESIDENTIAL SECTION CONSTRUCTION

In addition to the rights and obligations set forth in Article 10 of the Declaration and Sections 5.15 and 5.16 of the By-Laws applicable to all Unit Owners in connection with Alterations to the Units or Common Elements, the Sponsor shall have the additional rights and obligations set forth in Article 35 of the Original declaration in connection with construction relating to the Residential Section with the same force and effect as if such Article were set forth herein at length.

[Signatures of the Declarant follow on the next page.]

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed as of the ____ day of _____, 2020.

807 MANHATTAN AVENUE LLC

By:_____
Martin Nussbaum
Authorized Signatory

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On the ____ day of _____, in the year 2020, before me, the undersigned, personally appeared Martin Nussbaum, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that (he) (she) executed the same in (his) (her) capacity, and that by (his) (her) signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public of the State of New York

[STAMP]

EXHIBIT A

DESCRIPTION OF THE LAND

807 Manhattan Avenue Condominium
807 Manhattan Avenue
Brooklyn, New York 11222

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, City of New York, County of Kings and State of New York, bounded and described as follows:

BEGINNING at a point being the corner formed by the intersection of the southerly side at Calyer Street with the westerly side of Manhattan Avenue;

RUNNING THENCE southerly along the westerly side of Manhattan Avenue, 75 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 75 feet to a point;

THENCE turning and running southerly on a line parallel to Manhattan Avenue, 25 feet to a point;

THENCE turning and running westerly on a line parallel to Calyer Street, 125 feet to the easterly side of Lorimer Street;

THENCE turning and running northerly along the easterly side of Lorimer Street, 100 feet to the southerly side of Calyer Street;

THENCE turning and running easterly along the southerly side of Calyer Street, 200 feet to the point or place of BEGINNING.

EXHIBIT B
DESCRIPTION OF THE UNITS
807 Manhattan Avenue Condominium
807 Manhattan Avenue/1080 Lorimer Street
Brooklyn, New York 11222

UNIT	FLOORS	SQUARE FOOTAGE	BLOCK 2596 TAX LOT	PERCENTAGE COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTIONS SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS EXCLUSIVE ACCESS
RET	Basement Floor 1 Floor 2 Floor 3 Roof TOTAL	7,510 7,928 95 1,156 4,717 21,406	1001	26.3450	North-South-East	None
1A	Basement Floor 1	809 805	1003	3.0303	West	None
1B	Basement Floor 1	1,057 1,149	1004	4.1599	North-West	None
1C	Basement Floor 1	444 1,537	1005	3.7243	North	None
1D	Floor 1	1,579	1006	2.9775	South	None
1E	Floor 1	881	1007	1.6613	South	None
1F	Floor 1	2,329	1008	4.3918	South-West	None
1G	Basement	1,280	1009	2.7182	South	Terrace
2A	Floor 2	1,491	1010	2.8116	North-West	None
2B	Floor 2	787	1011	1.4841	North	None
2C	Floor 2	1,168	1012	2.2025	North	None
2D	Floor 2	1,442	1013	2.7192	North	None
2E	Floor 2	1,263	1014	2.3816	South	None
2F	Floor 2	1,140	1015	2.1497	South	None
2G	Floor 2	891	1016	1.6801	South	None
2H	Floor 2	1,193	1017	2.2496	South-West	None
2J	Floor 2	1,298	1018	2.4476	West	None

UNIT	FLOORS	SQUARE FOOTAGE	BLOCK 2596 TAX LOT	PERCENTAGE COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTIONS SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS EXCLUSIVE ACCESS
3A	Floor 3	1,491	1019	2.8116	North-West	None
3B	Floor 3	787	1020	1.4841	North	None
3C	Floor 3	1,159	1021	2.1855	North	None
3D	Floor 3	1,208	1022	2.3958	North	Terrace
3E	Floor 3	1,418	1023	2.6739	South	None
3F	Floor 3	1,140	1024	2.1497	South	None
3G	Floor 3	891	1025	1.6801	South	None
3H	Floor 3	1,193	1026	2.2496	South-West	None
3J	Floor 3	1,298	1027	2.4476	West	None
4A	Floor 4	1,468	1028	3.4655	North-West	Terrace
4B	Floor 4	1,593	1029	3.3650	North-South	Terrace
4C	Floor 4	717	1030	1.3521	South	None
4D	Floor 4	1,227	1031	2.6051	South-West	Terrace
TOTAL		**59,526**		100.0000		

EXHIBIT C

DEFINITIONS

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

"807 Zoning Lot" shall mean the zoning lot consisting of the Land, the Building and all appurtenances constituting all of the tax lots that collectively constitute the Condominium, including all Common Elements.

"807 Manhattan Avenue Condominium" shall mean the name by which the Condominium and the Building will be designated and known.

"Access Costs" shall mean the reasonable actual out-of-pocket costs (but not consequential damages, provided, however, any monetary compensation due to an Existing Tenant under an Existing Lease shall not be deemed consequential damages) incurred by an Impacted Owner as a result of the exercise by an Exercising Party of the easements and rights of access granted by the Declaration and By-Laws, including, but not limited to, the cost of Repairs to the Impacted Owner's Unit and security measures incurred by the Impacted Owner as a result of the exercise of the easement and right of access under the Declaration and the By-Laws.

"Adverse Effect," shall mean, with respect to the applicable Party, any action or proposed change that could, if realized, (i) increase the Common Charges payable by such Party over those set forth in the budget in effect at the time in question by seven and one-half percent (7.5%) or more, (ii) materially interfere with access to a Unit and/or the Common Elements, (iii) otherwise materially diminish or interfere with the use or enjoyment of such Party's Unit and/or the Common Elements, or (iv) increase a material non-monetary obligation of such Party other than to a de minimis extent.

"Affiliate" shall mean as to any Person, any other Person, which, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means (a) the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person or (b) ownership of more than 25% of the equity interests of such Person.

"Agreed Amount Valuation" shall mean an agreed statement of property value, signed by the Board, or a Unit Owner, as applicable, pursuant to a provision in the commercial property insurance policy that suspends the coinsurance clause until a specified expiration date.

"Alterations" shall mean demolitions, alterations, installations, additions and improvements, including the installation of new or additional Facilities, the relocation of Facilities, the installation of new or additional Building Systems Equipment and the relocation of Building Systems Equipment.

"Annual Budget" shall have the meaning ascribed thereto in Section 5.1.2 of the By-Laws.

"Approved Annual Budget" shall have the meaning ascribed thereto in Section 5.1.3 of the By-Laws.

"Appurtenant Interest" shall mean, with respect to a Unit, the proportionate undivided interest of the owner thereof, pursuant to the terms of Section 339-i of the Condominium Act, in and to: (i) the Common Elements; (ii) any Unit owned or leased at the time in question by the Board or its designee, corporate or otherwise; (iii) any proceeds of the sale or lease of the Unit of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Arbitration" shall have the meaning ascribed thereto in Section 10.1 of the By-Laws.

"Architect" shall mean an architect or construction consulting or engineering firm that provides engineering and/or architectural services, which is experienced in the design and operation in the City of New York of structures similar to the Building, and is licensed in New York State.

"ATM" shall have the meaning ascribed thereto in Section 16.18 of the Original Declaration.

"ATM Area" shall have the meaning ascribed thereto in Section 16.18 of the Original Declaration.

"Authorized Notice Work" shall have the meaning ascribed thereto in Section 5.15.2.1 of the By-Laws.

"Award" shall have the meaning ascribed thereto in Section 8.1 of the By-Laws.

"B&M Equipment" shall have the meaning ascribed thereto in Section 5.2.2.4 of the By-Laws.

"Board" shall mean the board of managers who will govern the affairs of the Condominium.

"Board Member," "Member" or "Member of the Board" shall mean a member of the Board designated by the Sponsor, or designated by the Residential Board, or the members of the Board designated by the Retail Unit Owner.

"Bonus Floor Area" shall mean any floor area made available to the 807 Zoning Lot under the Zoning Resolution above the existing floor area of the Retail Unit and Residential Section, where such floor area is attributable to an increase in the permitted floor area ratio allowed under the Zoning Resolution due to the provision of an amenity or other reason, whether as of right, or by discretionary approval.

"Budget Allocations" shall mean the methodology to be utilized by the Board in determining each Unit Owners share of the Common Expenses which is annexed to the Declaration as Exhibit G.

"Building" shall mean the existing building (including footings and foundations) and other improvements and appurtenances of every kind and description now or hereafter erected, constructed, or placed upon the Land and any and all Alterations thereof and substitutions therefor to the structures and improvements known as 807 Manhattan Avenue, Brooklyn, New York 11222, in which the Units of the Condominium are located.

"Building Systems" shall mean any of the systems in the Building providing heat, sprinkler, water, electric, gas, sewer and fire protection or similar services serving the Retail Unit and the Residential Section (or any Resultant Units).

"Building Systems Equipment" shall mean all mechanical, electrical or other equipment or Facilities which are part of or used in connection with the Building Systems.

"Business Days" shall mean any day other than Saturday, Sunday or a legal holiday on which national banks are not open for general business in the State of New York.

"By-Laws" shall mean the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D of the Declaration, as same may be amended from time to time in accordance with Article 20 of the Declaration.

"Calyer Building" shall mean Commercial Unit #2.

"City Register's Office" shall mean the Office of the City Register of the City of New York, County of Kings.

"Claims" shall mean claims, counterclaims, suits, actions or proceedings and any other liabilities, losses, damages, penalties, charges, costs and expenses.

"Commercial Unit #1" shall mean the Unit formerly known designated as "C1" in the Original Declaration and now known as the Retail Unit as more particularly described in Article 6 and Exhibit B to the Declaration and the Floor Plan.

"Commercial Unit #1 Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Original Declaration and Section 2.2 of this Declaration.

"Commercial Unit #1 Owner" shall mean the owner of the Commercial Unit #1 at the time in question described in the Original Declaration, now known as the Retail Unit.

"Commercial Unit #2" shall mean the Unit formerly know and designated as "C2" in the Original Declaration and now known in this Declaration as the Residential Section as more particularly described in Article 6 and Exhibit B to the Declaration and the Floor Plans.

"Commercial Unit #2 Construction" shall have the meaning ascribed thereto in Section 35.3 of the Original Declaration.

"Commercial Unit #2 Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Original Declaration and Section 2.2 of this Declaration.

"Commercial Unit #2 Owner" shall mean the owner of the Commercial Unit #2 at the time in question described in the Original Declaration, now known in this Declaration as Sponsor or the Residential Unit Owners, as the case may be.

"Condominium" shall mean the 807 Manhattan Avenue Condominium.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9B.

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations, and the Floor Plans.

"Condominium Insurance" shall have the meaning ascribed thereto in Section 5.2.1 of the By-Laws.

"Condominium Liability Insurance" shall have the meaning ascribed thereto in Section 5.2.1.5 of the By-Laws.

"Condominium Managing Agent" shall mean a property manager which (i) is a reputable management company, having all required licenses in good standing, having at least ten (10) years' experience in the management of mixed use buildings in the City of New York (ii) has, for at least ten (10) years prior to its engagement, effectively and continuously managed at least five (5) mixed use buildings in the City of New York of 100,000 rentable square feet or more, (iii) is not, and has not during the prior ten (10) year period been the subject of a bankruptcy or similar insolvency proceeding or licensing proceeding instituted by the Secretary of State, (iv) performs its management services in a first-class manner consistent with the standards of a top-quality management company in the City of New York, and (v) has the personnel and other resources to perform its services for the Property under any management agreement to be entered into in accordance with Section 2.4 of the By-Laws consistent with the Operating Standard.

"Condominium Property Insurance" shall have the meaning ascribed thereto in Section 5.2.1.1 of the By-Laws.

"Condominium Recognition and Non-Disturbance Agreement" shall have the meaning ascribed thereto in Section 7.4.2 of the By-Laws.

"Consumer Price Index" shall have the meaning ascribed thereto in Section 11.7 of the By-Laws.

"Construction Equipment" shall have the meaning ascribed thereto in Section 35.6 of the Declaration.

"Construction Lender" means Bank OZK, maintaining an office at 8300 Douglas Avenue, Suite 900, Dallas, Texas 75225, and its successors and/or assigns.

"Contractor" shall mean a qualified general contractor or construction manager with significant experience in the construction of structures in Brooklyn similar to the Building licensed in New York State.

"Creditor Unit Owner" shall have the meaning ascribed thereto in Section 32.1.3 of the Declaration, and Section 5.12 of the Bylaws.

"Debtor Unit Owner" shall have the meaning ascribed thereto in Section 5.12 of the By-Laws.

"Declaration" shall mean this Amended and Restated Declaration, as the same may be amended from time to time.

"Declaration Date" shall mean the date this Declaration is recorded and the Floor Plans are filed in the City Register's Office.

"Default Costs" shall have the meaning ascribed thereto in Section 5.12 of the By-Laws.

"Default Rate" shall mean the greater of (a) the interest rate equal to two percent (2%) in excess of the annual prime rate announced from day to day by J.P. Morgan Chase Bank in New York, New York, or its successor, or, if there is no such successor, as reported by The Wall Street Journal, or, if The Wall Street Journal ceases to publish the "prime rate", then an equivalent publication that publishes such "prime rate" as selected by the Board; or (b) the maximum rate then permitted by Law.

"Defaulting Unit Owner" shall have the meaning ascribed thereto in Section 32.1.2 of the Declaration.

"Depositary" shall mean any insurance company, savings bank, savings and loan association, commercial bank or trust company having an office in the Borough of Manhattan with net assets or capital surplus and undivided profits of not less than $500,000,000 having a long term credit rating from Standard & Poor's Ratings Services of not less than "A", as selected by the Board, with the reasonable approval of Recognized Mortgagees, if any, to the extent such consent is required under the applicable Recognized Mortgage or Recognized Mortgage Loan Documents, and that agrees to perform the obligations of "Depositary" under the Declaration and apply any funds received as Depositary in accordance with the Declaration and the By-Laws.

"Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Disinterested Board Member" shall mean a member or members of the Board having no interest, direct or indirect, pecuniary or otherwise, in the decision to be made or the transaction to be conducted by the Board.

"Emergency" shall mean any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, (iii) to avoid the suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property, (iv) to prevent a material business interruption, or (v) to avoid a default under a Recognized Mortgage.

"Event of Default" shall have the meaning ascribed thereto in Section 32.1.1 of the Declaration.

"Exercising Party" shall mean the Party or Parties exercising such easements or rights of access as granted by the Declaration and By-Laws.

"Existing Lease" shall have the meaning ascribed thereto in Section 17.1 of the Declaration.

"Existing Tenant" shall mean a tenant under an Existing Lease.

"Exterior Facade" shall mean the outer portion of the Building above grade, including, but not limited to, the exterior of all doors, masonry, aluminum or other skin materials, walls or parapets, whether or not visible from street level, but excluding the storefront or windows of Commercial Unit #1.

"Facility" or "Facilities" shall include, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of this term: system, equipment, apparatus, convertor, radiator, heater, heat exchanger, mechanism, device, machinery, motor, pump, fire pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong, panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, breeching connections, ducts and exhaust vents, fittings, valves, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Signage, telephone, intercom, call boxes and televisions, cameras, receivers; meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, waste stack, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, cabinet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

"Floor Plans" shall mean the floor plans of the Building certified by PKSB Architects, PC, approved by the Real Property Assessment Department of the City of New York and filed in the City Register's Office contemporaneously with the recording of the Declaration, as such Floor Plans may be amended from time to time.

"FSIA" shall have the meaning ascribed thereto in Section 30.1.1 of the Declaration.

"General Common Charges" shall have the meaning ascribed thereto in Section 5.1.2 of the By-Laws.

"General Common Elements" shall have the meaning ascribed thereto in Section 8.1 and 8.3 of the Declaration.

"General Common Element Work" shall have the meaning ascribed thereto in Section 5.16 of the By-Laws.

"General Common Expenses" shall include, but are not limited to, (i) all costs and expenses attributable to the Maintenance, Repair, care, upkeep and operation of, and the performance of any Alterations in and to the Common Elements (including, without limitation, accounting, legal, architectural, engineering or other professional or service fees); (ii) the insurance maintained by the Board as described in the By-Laws; (iii) the salaries, wages and other compensation of any employees of the Condominium or the Condominium Managing Agent required to be paid by the Condominium under the management agreement with the Managing Agent; (iv) the fees of or any other compensation paid to the Condominium Managing Agent; (v) all costs and expenses paid or incurred by the Condominium in connection with the purchase, lease or sublease by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Units acquired by the Board; and (vi) all such other items provided for in the Declaration or the By-Laws to be Common Expenses.

"General Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit determined in accordance with the Declaration, as set forth on Exhibit B to the Declaration.

"Governmental Authority" shall mean any federal, New York State, Kings County, municipal, foreign, international, regional or other governmental authority, agency, board, body, department, instrumentality or court having jurisdiction over the Property or any Unit Owner.

"Hazardous Materials" shall mean any petroleum and petroleum products, flammable explosives, radioactive materials (excluding radioactive materials in smoke detectors), biohazards and medical waste, polychlorinated biphenyls, lead, asbestos in any form that is or could become friable, hazardous waste, toxic or hazardous substances or other related materials whether in the form of a chemical, element, compound, solution, mixture or otherwise, including, but not limited to, those materials defined as "hazardous substances," "extremely hazardous substances," "hazardous chemicals," "hazardous materials," "toxic substances," "solid waste," "toxic chemicals," "air pollutants," "toxic pollutants," "hazardous wastes," "extremely hazardous waste," or "restricted hazardous waste" by Hazardous Materials Law or regulated by Hazardous Materials Law in any manner whatsoever. "Hazardous Material(s)" shall not include any customary cleaning solutions as long as same are stored and used as required by Hazardous Materials Laws.

"Hazardous Materials Laws" shall mean all federal, New York State, and local laws, ordinances and regulations and standards, rules, policies and other binding governmental requirements now or hereafter enacted or in force, and any court judgments applicable to a Unit Owner or to the Property relating to industrial hygiene or to environmental or unsafe conditions or to human health including, but not limited to, those relating to the generation, manufacture, storage, handling, transportation, disposal, release, emission or discharge of Hazardous Materials, those in connection with the construction, fuel supply, power generation and transmission, waste disposal or any other operations or processes relating to the Property, and those relating to the atmosphere, soil, surface and ground water, wetlands, stream sediments and vegetation on, under, in or about the Property.

"Impacted Owner" shall have the meaning ascribed thereto in Section 16.4.2 of the Declaration.

"Indemnitees" shall have the meaning ascribed thereto in Section 33.2 of the Declaration.

"Indemnitor" shall have the meaning ascribed thereto in Section 33.2 of the Declaration.

"Interested Person" shall have the meaning ascribed thereto in Section 26.1 of the Declaration.

"International Organization" shall have the meaning ascribe thereto in Section 30.1 of the Declaration.

"JAMS" shall have the meaning ascribed thereto in Section 10.1 of the By-Laws.

"Land" shall mean the parcel of land described in Exhibit A to the Declaration.

"Land Use Approval" shall have the meaning ascribed thereto in Section 10.2 of the Declaration.

"Law" or "Laws" shall mean the applicable laws, statutes, rules, codes, ordinances, regulations, orders of the State of New York, Borough of Brooklyn, City of New York, County of Kings, and federal laws of the United States of America, judgments, decrees, notices of violation or like action of any and all Governmental Authorities, any applicable requirements or conditions of any licenses, permits, approvals or certificates issued by any Governmental Authority, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding on the Property or applicable portion thereof.

"Leases" shall have the meaning ascribed thereto in Section 17.1 of the Declaration.

"Liening Unit Owner" shall have the meaning ascribed thereto in Section 5.26 of the By-Laws.

"Maintenance," "Maintain" or "Maintaining" shall mean the maintenance, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, decorating, painting and other work as and when necessary or desirable to any portion of the Building in accordance with the Operating Standard.

"Manhattan Avenue Building" shall mean Commercial Unit #1.

"Manhattan Avenue Building Equipment" shall mean all machinery, apparatus, equipment, personal property and fixtures of every kind and nature whatsoever heretofore or hereafter owned by the Commercial Unit #1 Owner and attached to or used in connection with the operation or maintenance of the Manhattan Avenue Building, including, but not limited to, all heating, lighting, and power equipment, engines, pipes, pumps, tanks, conduits, plumbing, cleaning, fire prevention, refrigeration, ventilating, air-conditioning equipment and apparatus, elevators, ducts and compressors, and any and all alterations, additions, improvements, restorations and replacements of any thereof; but excluding, however, (i) property of contractors servicing the Manhattan Avenue Building, (ii) improvements for water, gas and electricity and other similar equipment or improvements owned by any public utility company or any governmental agency or body, and (iii) machinery, apparatus, equipment or other personal property owned by the Commercial Unit #2 Owner to be used in connection with the operation or maintenance of the Manhattan Avenue Building.

"NAM" shall have the meaning ascribed thereto in Section 10.1 of the By-Laws.

"Net Award" shall have the meaning ascribed thereto in Section 8.1 of the By-Laws.

"Notice" shall have the meaning ascribed thereto in Section 4.1 of the By-Laws.

"Notice Work" shall have the meaning ascribed thereto in Section 5.15.2 of the By-Laws.

"Notice Work Conditions" shall have the meaning ascribed thereto in Section 5.15.2 of the By-Laws.

"Operating Standard" shall mean a standard of operation and management that is (i) in compliance with all applicable Laws, subject to the right to contest such Laws under Section 5.25 of the By-Laws; (ii) in compliance with the requirements of the Declaration, the By-Laws, and the Rules and Regulations; (iii) in keeping with the standards of a mixed-use building in the Greenpoint and Williamsburg area of Brooklyn with ground-floor retail tenants of reputation and

quality at least comparable to that of Capital One, N.A. on the Declaration Date; and (iv) if the use of any Unit is changed to permit residential use, then such use shall be in keeping with residential, multi-story buildings in the vicinity of the Building.

"Original Declarant" shall mean the 807 Manhattan Avenue Holding LLC and Sponsor, their successors and assigns.

"Original Declaration" shall mean the Declaration and By-Laws dated June 23, 2017 and recorded October 3, 3017 in the Office of the Register of the City of New York, Kings County, in CRFN 2017000366969.

"Overtime Hours" shall mean such hours during which a premium on the cost of labor is required to be paid for the performance of the Work being performed or the provision of services being provided.

"Party" or "Parties" shall mean any Unit Owner (including Resultant Unit Owners, if any) and/or the Board (including Resultant Boards, if any), as the context requires.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the Residential By-Laws including, without limitation a Recognized Mortgage."

"Permitted Mortgagee" shall mean the holder of any Permitted Mortgage of record against a Unit including, without limitation, a Recognized Mortgagee.

"Performing Unit Owner" shall have the meaning ascribed thereto in Section 5.15.2 of the By-Laws.

"Permitted User(s)" shall mean a Unit Owner, tenant, licensee, managing agent, employee, agent or Recognized Mortgagee.

"Persons" shall mean an individual, corporation, partnership, limited liability company, trust, or other legal entity, or any Governmental Authority, and any fiduciary acting in such capacity on behalf of any of the foregoing.

"Prime Rate" shall have the meaning ascribed thereto in under the definition of Default Rate.

"Prime Retail Period" shall mean the period from Thanksgiving Day to the next succeeding January 15.

"Prohibited Person" shall mean any Person listed as Specially Designated Nationals on the most current list of The Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") available at or through OFAC's web site http://www.ustreas.gov/offices/enforcement/ofac or as otherwise published from time to time, or an entity that is sanctioned, which means (A) an agency of the government of; (B) an organization directly or indirectly controlled by; or (c) a person resident in a country that is subject to a country's sanctions program administered and enforced by OFAC described or referenced at OFAC's website http://www.ustreas.gov/offices/enforcement/ofac/ or as otherwise published from time to time.

"Prohibited Uses" shall have the meaning ascribed thereto in Section 5.17.3 of the By-Laws.

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

"Proposed Amendment" shall have the meaning ascribed thereto in Section 20.1.1 of the Declaration.

"Qualified Lease" shall have the meaning ascribed thereto in Section 7.4.2.5 of the By-Laws.

"Qualified Tenant" shall have the meaning ascribed thereto in Section 7.4.2.5 of the By-Laws.

"Recognized Mortgage" shall mean a mortgage, or a pledge or other security agreement encumbering the equity interests of a Unit Owner, in each case, placed upon a Unit or Units pursuant to Section 6.2 of the By-Laws and held by a Recognized Mortgagee.

"Recognized Mortgagee" shall have the meaning ascribed thereto in Section 6.2 of the By-Laws.

"Related Costs" shall mean all reasonable fees and expenses incurred by the Board or a Unit Owner in connection with necessary and reasonable inspections of Unit Work or Common Element Work to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefor and all requirements of (i) applicable Legal Requirements; (ii) insurance carriers providing insurance coverage pursuant to Section 5.2.1, (iii) the Declaration; and (iv) the By-Laws (including, with respect to Unit Work or Common Element Work which constitute structural alterations, the fees and expenses of any architect or engineer employed for such purpose).

"Remedy Notice" shall have the meaning specified in Section 5.24.1 of the By-Laws.

"Repairs" or "Repair" shall mean repairs, replacements, substitutions, restorations and any other work, other than Alterations.

"Replacement Cost" shall mean the amount that an insurer will pay under a property insurance policy for the replacement of the property in the event of an insured loss and is understood to mean the cost to replace the damaged property with materials of like kind and quality without any deduction for depreciation.

"Report" shall have the meaning ascribed thereto in Section 9.2 of the By-Laws.

"Requesting Owner" shall have the meaning ascribed thereto in Section 10.2 of the Declaration

"Required Action" shall have the meaning ascribed thereto in Section 26.1 of the Declaration.

"Residential Board" shall mean the board of managers of the Residential Section which will manage the affairs of the Residential Section of the Condominium.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of , and any alteration, addition, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Residential Limited Common Elements.

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interest are the basis for determining a Residential Unit Owner's liability for such Unit Owner's liability for such Unit Owners share of the Residential Common Expenses.

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

"Residential Rules and Regulations" shall mean the Residential 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. "Residential Section" shall mean the section of the Building containing all of the Residential Units, the Residential Common Elements and the Residential Limited Common Elements.

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

"Residential Unit Owner" shall mean any Owner of a Residential Unit at the time in question. All such Residential Unit Owners are, collectively referred to as the "Residential Unit Owners. "Retail Unit" shall mean Unit C1 in the Original Declaration now described as the Retail Unit or RET in this Declaration.

"Retail Unit Owner" shall mean the owner of the Retail Unit.

"Resultant Board" shall have the meaning ascribed thereto in Section 11.5.1 of the Declaration.

"Resultant Unit" or "Resultant Units" shall have the meaning ascribed thereto in Article 11 of the Declaration.

"Resultant Unit Owner" or "Resultant Unit Owners" shall have the meaning ascribed thereto in Article 11 of the Declaration.

"Roof" shall mean a roof, setback and terraces and the like for the Building (including, without limitation, bulkheads, parapets and the protective layers beneath any decking material).

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws

"Safety Work" shall mean have the meaning ascribed thereto in Section 5.5.2 of the By-Laws

"Satellite Equipment" shall mean the installation, operation and Maintenance of antennas, satellite equipment, telecommunications equipment, communication facilities and similar installations and equipment on certain Roofs of the Building.

"Sign" or "Signage" or similar words shall mean each and every kind of sign, inscription (on doors, windows or elsewhere), banner, flag, awning, canopy, structure, placard, board, stanchion, display, marquee, flag, flagpole, pennant, aerial, notice, advertisement, or illumination, art work, poster, logo, or the like, used for sales, rental, promotional, advertising, business, identity or other purpose.

"Significant Casualty" shall have the meaning ascribed thereto in Section 5.5.1 of the By-Laws.

"Special Assessments" shall have the meaning ascribed thereto in Section 5.1.6 of the By-Laws.

"Special Board Majority" shall mean a majority of the Board, including at least one Commercial Unit #2 Board Member and the Commercial Unit #1 Board Member.

"Special Permit" shall mean a special permit under Section 74-711 or Section 74-922 of the Zoning Resolution.

"Sponsor" shall mean 807 Manhattan Avenue LLC.

"Subdividing Unit Owner" shall have the meaning ascribed thereto in Section 11.1 of the Declaration.

"Subdivision" shall have the meaning ascribed thereto in Section 11.1 of the Declaration.

"Subdivision Amendment" shall have the meaning ascribed thereto in Section 11.4 of the Declaration.

"Substantially All of the Property" shall have the meaning ascribed thereto in Section 8.4 of the By-Laws.

"Taking" shall have the meaning ascribed thereto in Section 8.1 of the By-Laws.

"Tax Recalculation" shall have the meaning ascribed thereto in Section 5.1.8 of the By-Laws.

"TRIA" shall have the meaning ascribed thereto in Section 5.2.1.1 of the By-Laws.

"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 the Board or a Unit Owner); civil disturbance; order of any government, court or regulatory body claiming jurisdiction; terrorism; war; act of the public enemy; riot; sabotage; blockade; embargo; shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body; lightning; earthquake; fire; storm; hurricane; flood; explosion; act of God; or any cause similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds, cost of materials or labor, or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" shall mean any Unit designated in the Declaration and the Floor Plans, and in the event of a Subdivision, such Resultant Units, and all of such Units are collectively referred to as "Units."

"Unit Expenses" shall mean those expenses incurred by the Board in accordance with the provisions of the Declaration and the By-Laws on behalf of a specific Unit Owner and shall include such expenses expressly provided to be Unit Expenses under the terms of the Declaration or the By-Laws, as well as expenses incurred by a Unit Owner on behalf of another Unit Owner but only to the extent and under the circumstances expressly permitted under the Declaration and the By-Laws.

"Unit Owner" shall mean the owner of a Unit at the time in question, and in the event of a Subdivision of a Unit, a Resultant Unit Owner, and all of such Unit Owners are collectively referred to as the "Unit Owners."

"Unit Owner Insurance" shall have the meaning ascribed thereto in Section 5.2.2 of the By-Laws.

"Unit Owner Liability Insurance" shall have the meaning ascribed thereto in Section 5.2.2.1 of the By-Laws.

"Unit Owner Property" shall have the meaning ascribed thereto in Section 5.2.2.2 of the By-Laws.

"Unit Owner's Property Insurance" shall have the meaning ascribed thereto in Section 5.2.2.2 of the By-Laws.

"Unit Work" shall have the meaning ascribed thereto in Section 5.15.1 of the By-Laws.

"Utility Facilities" shall have the meaning ascribed to such term in Section 16.6 of the Declaration.

"Violating Unit Owner" shall have the meaning ascribed thereto in Section 5.25 of the By-Laws.

"Violation" shall have the meaning set forth in Section 5.25 of the By-Laws.

"Work" shall mean Repairs and/or Alterations.

"Work Notice" shall have the meaning ascribed thereto in Section 5.15.2.1 of the By-Laws.

"Work Notice Recipients" shall have the meaning ascribed thereto in Section 5.15.2.1 of the By-Laws.

"ZLDA" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Zoning Resolution" shall mean the Zoning Resolution of the City of New York, effective as of December 15, 1961, as amended and/or restated from time to time, or any successor statute.

EXHIBIT D

BY-LAWS

OF

807 MANHATTAN AVENUE CONDOMINIUM
807 MANHATTAN AVENUE
BROOKLYN, NEW YORK 11222

BY-LAWS

ARTICLE 1

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. All terms used in these By-Laws which are not separately defined, shall have the meanings given to those terms in the Declaration or in Exhibit C to the Declaration.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Permitted Users are and shall be subject to the Declaration, these By-Laws and any Rules and Regulations adopted by the Board. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Declaration and any Rules and Regulations adopted by the Board are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Brooklyn, County of Kings, reasonably convenient thereto, as may be designated from time to time by the Board.

ARTICLE 2

BOARD OF MANAGERS AND GOVERNANCE

2.1 **Number, Term and Qualification.** As more particularly set forth in Section 2.3, the affairs of the Condominium will be governed by the Board. The Board will consist of three (3) persons, one (1) of whom is to be designated by the Retail Unit Owner and two (2) of whom are to be designated by the Residential Board. Notwithstanding anything to the contrary contained in the Declaration or these By-Laws, no amendment may be made to this Section 2.1 without the consent of a Special Board Majority.

2.2 **Subdivision.** As of the date of the recording of the Amended and Restated Declaration and By-Laws, the Board shall continue to consist of three (3) Members, subject to and in accordance with the provisions of Section 11.5.8 of the Declaration.

2.3 **Powers and Duties.**

2.3.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration, or these By-Laws may not be delegated to the Board by the Unit Owners). The Board and the Board Members shall have a fiduciary duty to the Condominium and to each of the Unit Owners. Except as otherwise expressly provided in the Declaration or these By-Laws, all determinations to be made by or on behalf of the Board, however, which (a) affect only the Residential Section (or any portion thereof) or the Residential Unit Owners and do not have an Adverse Effect on the Retail Unit Owner or the Retail Unit, shall only be made by the Residential Board and such Board Members shall promptly notify the Board Member designated by the Retail Unit Owner of their determination, and (b) affect only the Retail Unit (or any portion thereof) and

does not have an Adverse Effect on the Residential Section or the Residential Unit Owners shall be made by the Board Member designated by the Retail Unit Owner and such Board Member shall promptly notify the Residential Board of its determination. No dispute with respect to whether the determination of the Board Member(s) of one Unit Owner has an Adverse Effect, shall be deemed to exist unless the objecting Unit Owner (or its designated Board Member(s)) specifies the grounds for its objection in writing to the Board and the other Unit Owner within ten (10) Business Days of receipt by it of Notice of such determination. If such objection is made, no action may be taken with respect to the determination until such dispute is resolved, except as necessary to abate an Emergency or to comply with Law.

2.3.2 The Disinterested Board Member(s) shall have the power to make determinations, and/or take action, on behalf of the Board in the following cases without the consent or approval of the other Board Members:

2.3.2.1 In the event of a default by a Unit Owner, the provision of Notice and the enforcement of remedies of the Board against the Defaulting Unit Owner;

2.3.2.2 In the event of a default by a Unit Owner with respect to the payment of Common Charges, Special Assessments or Unit Expenses, the decision to borrow as a result of such default;

2.3.2.3 Upon the request of a Board Member, a Unit Owner, or a Recognized Mortgagee, to execute a statement of Common Charges, or an estoppel certificate; and

2.3.2.4 In the event of a material default by an Affiliate of a Unit Owner under a contract with the Board, to provide Notice of the particulars of such default to the Affiliate and to its related Unit Owner and to enforce the Board's rights and remedies under such contract as a result of such default.

2.3.3 Subject to the provisions of Section 2.10 and this Section 2.3.3, and without limiting the generality thereof, the Board shall be entitled to make determinations with respect to the following matters:

2.3.3.1 Using, operating and Maintaining the General Common Elements in accordance with the provisions of these By-Laws and the Operating Standard.

2.3.3.2 Determining the amount of and collecting the Common Charges, Special Assessments and Unit Expenses, subject to the provisions of Section 5.1 and the Budget Allocations set forth on Exhibit H. In the event Resultant Units are created pursuant to a Subdivision under Article 11 of the Declaration which materially changes the number of Persons using the General Common Elements, the Budget Allocations set forth on Exhibit H may be changed by the Board based upon a survey or as otherwise agreed to by the Unit Owners.

2.3.3.3 Furnishing of services and utilities, as described in these By-Laws. Subject to Unavoidable Delay and temporary cessation from time to time in connection with the performance of Maintenance, the services and utilities provided to a Unit Owner or its occupants (other than the freight elevators) are to be made available on a 24-hour-a-day, seven days a week basis, except as otherwise provided.

2.3.3.4 Employing and dismissing personnel necessary for the Maintenance and operation of the General Common Elements.

2.3.3.5 Making and enforcing contracts and incurring liabilities in connection with the exercise of any of the powers and duties of the Board; provided that any such contracts entered into with (i) an Affiliate of a Unit Owner, (ii) a constituent entity of a Unit Owner, or (iii) an Affiliate of any such constituent entity, shall be on arm's length terms at market rates, and shall require the consent of a Special Board Majority if such contract (x) exceeds $10,000 per annum (as escalated by CPI), or (y) is executed without a provision allowing for termination by the Board, with or without cause, on thirty (30) days' notice or less.

2.3.3.6 Bringing actions on behalf of the Unit Owners, as their respective interests may appear, with respect to any cause of action relating to the General Common Elements, as the Board deems advisable.

2.3.3.7 Causing repairs to be performed in a Unit in the event of an Emergency.

2.3.3.8 Procuring such fidelity bonds as the Board deems advisable covering officers and employees of the Board handling and responsible for the Board's funds and personal property and to procure managers' and officers' liability insurance to the extent provided in Section 5.2. The premiums of such bonds and insurance shall be at market rates and be paid by the Board as a Common Expense and allocated to Unit Owners as set forth in Exhibit H to the Declaration except as otherwise provided in Section 5.2.4.3.

2.3.3.9 Determining policies, adopting and amending the Rules and Regulations governing the details of operation of the Building and amending such Rules and Regulations from time to time as the Board deems advisable in accordance with the terms of these By-Laws.

2.3.3.10 Making Alterations to the General Common Elements subject to the provisions of these By-Laws including Section 5.16.

2.3.3.11 Subject to Sections 5.3 through 5.9 and Article 8, making Repairs to the General Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.3.3.12 Enforcing in a non-discriminatory manner the obligations of Unit Owners under the Declaration, these By-Laws and the Rules and Regulations, including without limitation, commencing, prosecuting and settling litigation in connection therewith.

2.3.3.13 Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.3.3.14 Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) to the extent such powers are granted to the Board pursuant to Section 5.2.

2.3.3.15 Borrowing money on behalf of the Condominium, when required in connection with the operation and Maintenance of, or the making of Repairs to or Alterations of, the General Common Elements; provided, however, that (i) no lien to secure repayment of any sum borrowed may be created or suffered on any Unit or its Appurtenant Interest in the General Common Elements without the consent of the applicable Unit Owners, (ii) no Unit Owner shall have any personal liability for the repayment of such borrowing, and (iii) the consent of a Special Board Majority shall be required for any single borrowing by the Board in excess of fifty thousand dollars ($50,000.00) (except where the borrowing is the result of a Unit Owner's default of its obligations to pay Common Charges, Special Assessments or Unit Expenses, in which case the determination may be made by the Disinterested Board Member(s), on behalf of the Board, pursuant to the Declaration and these By-Laws).

2.3.3.16 Organizing and owning interests in limited liability companies and/or other entities to (i) act as designees of the Board with respect to any Units acquired by the Board in foreclosure or other judicial sale, or (ii) with respect to any such other matters as by Special Board Majority, may determine.

2.3.3.17 Executing, acknowledging and delivering (i) any declaration or other instrument affecting the Property which the Board deems necessary or appropriate to comply with any Law applicable to the Maintenance, demolition, construction, Alteration or Repair of the Building, or (ii) any consent, covenant, restriction, easement or declaration whether or not to be recorded affecting the Property which the Board deems necessary or appropriate so long as the same does not have an Adverse Effect on any Unit Owner unless such Unit Owner consents to same.

2.3.3.18 Preparing, executing and recording on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws (without modification) whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws, subject to a Special Board Majority approval, preparing, executing and recording on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws (without modification) whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.3.3.19 Obtaining and reviewing Condominium Insurance pursuant to the provisions of Section 5.2.

2.3.3.20 Issuing estoppel certificates to any Unit Owner or Recognized Mortgagee relating to such Unit Owner's payment of Common Charges, Special Assessments and Unit Expenses.

2.3.3.21 Purchasing, leasing, or otherwise acquiring Units offered for sale, lease or assignment by their owners, in the name of the Board or its designee, and on behalf of all Unit Owners, subject to Special Board Majority approval.

2.3.3.22 Purchasing a Unit at foreclosure or other judicial sales, in the name of the Board or its designee, and on behalf of all Unit Owners.

2.3.3.23 Selling, leasing, licensing, mortgaging and otherwise dealing with a Unit acquired by, and to sublease a Unit leased by, the Board or its designee, on behalf of all Unit Owners, provided, however, that the Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Unit.

2.3.3.24 Subject to the provisions of the Existing Lease, leasing or licensing of the General Common Elements provided such leasing or licensing has no Adverse Effect on a Unit Owner.

2.3.3.25 Performing any and all duties imposed on the Board by Law or the insurance requirements of Article 5 applicable to the Property.

2.3.3.26 Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board, shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Board.

2.3.3.27 To the extent required to effectuate the rights granted to any Unit Owner with respect to the Development Rights, entering into a zoning lot merger or any declaration or other instruments necessary to acquire, purchase, allocate, sell or dispose of any Development Rights now or in the future appurtenant to the Property or other zoning lot pursuant to the Zoning Resolution of the City of New York or to merge or subdivide a zoning lot but only in accordance with and subject to the restrictions contained in Section 2.2 of the Declaration.

2.4 **Condominium Managing Agent.**

2.4.1 With respect to the matters or the determinations which the Board is entitled to make, the Board may employ a Condominium Managing Agent at a reasonable market rate compensation, which Condominium Managing Agent may be an Affiliate of the Sponsor, if consented to by a Special Board Majority.

2.4.2 The Unit Owners are entitled, in their respective sole discretions, to each employ, at their own cost, a managing agent and/or manager to manage their respective Units. Nothing contained in these By-Laws shall be deemed to prevent the managing agent and/or manager employed by any of the Unit Owners from also serving as the Condominium Managing Agent. To the extent any Unit Owner retains the Condominium Managing Agent to manage its Unit, such retention shall be at the sole cost and expense of the Unit Owner and the Unit Owner shall endeavor to insure, and the management agreement with the Condominium Managing Agent shall require, that the Condominium Managing Agent treat the other Unit Owners in a non-discriminatory and conflict of interest free manner.

2.5 **Resignation and Removal.** Any Board Member may resign at any time by Notice delivered as specified in Section 4.1, to the Board from which such Member is resigning. Such resignation will take effect at the time specified therein and, unless specifically requested, acceptance of such resignation will not be necessary to make it effective. Any Board Member may be removed, with or without cause, only by (i) the Unit Owner designating such Board Member and the Unit Owner making such removal will have the right to designate the replacement for such Member and (ii) by any Recognized Mortgagee of the Unit associated with such Board Member pursuant to the terms and conditions of the Recognized Mortgage and the other loan documentation related thereto, and such Recognized Mortgagee making such removal shall have

the right to designate the replacement for such Member.

2.6 **Vacancies and Designations.** The Members of any Board shall be appointed by designation, in writing, made by the applicable Unit Owners in accordance with the provisions of Section 2.1, and in the event of a Subdivision, Section 2.2. Each Unit Owner entitled to designate Members to the Board in accordance with Section 2.1, or any Resultant Board entitled to designate Members to the Board in accordance with Section 11.5.8 of the Declaration, may substitute or replace individuals designated to be their representatives on the Board and in the event a vacancy on the Board caused by the resignation or removal of a Member or any other reason, such vacancy shall be filled by the Unit Owner or Resultant Board who designated such Member. If a Recognized Mortgagee has the right under its Recognized Mortgage (or other loan documentation related thereto) to remove Members of the governing body of the Unit Owner of the Unit securing its loan, and if the Recognized Mortgagee exercises such right in accordance with the Recognized Mortgage (or other loan documentation related thereto), then in such event the Recognized Mortgagee also shall upon Notice to the Board have the right to remove the Members of the Board appointed by that Unit Owner if any, and to appoint its own representatives to serve on behalf of such Unit Owner.

2.7 **Regular Meetings of the Board.** Regular meetings of the Board may be held at such time and place in the Borough of Brooklyn, Kings County, as determined from time to time by the Board. Notice of regular meetings will be given to each Member, by personal delivery (with receipt acknowledged), mail, reputable overnight courier service, facsimile or e-mail, at least five (5) Business Days prior to the day named for such meeting.

2.8 **Special Meetings of the Board.** Special meetings of the Board may be called by any Member of the Board by giving five (5) Business Days' prior Notice to each Member of the Board by personal delivery (with receipt acknowledged), mail, reputable overnight courier service, facsimile or e-mail, which Notice will state the time, place (in the Borough of Brooklyn, Kings County) and purpose of the meeting.

2.9 **Waiver of Notice.** Any Board Member may at any time waive Notice of the Board meeting in writing and such waiver shall be deemed equivalent to the giving of such Notice. Attendance by a Member of the Board at any meeting thereof shall constitute a waiver of Notice by such Member of the time and place thereof. If all the Members are present at any meeting of the Board, no Notice shall be required and any business may be transacted at such meeting.

2.10 **Determinations by the Board.**

2.10.1 Determinations of the Board shall be made by majority vote of the Board Members, except for matters requiring a Special Board Majority or the consent of all Unit Owners.

2.10.2 Board Members may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all individuals participating in such meeting can hear and speak to each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained in these By-Laws, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if the Members constituting a majority of the Board, or where required, a Special Board Majority, consent in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with the minutes of the Board; provided, however, that except in the event of an Emergency, Notice of such intended action shall be given to each Member by personal delivery (with receipt acknowledged), mail, reputable overnight courier service, facsimile or e-mail, at least

three (3) Business Days prior to taking such action.

2.10.3 The Board may direct the Condominium Managing Agent in connection with the day-to-day ordinary management and operations of the Building without the need for a Board meeting in each instance, unless an action requires the consent of a Unit Owner or a Special Board Majority, or a Disinterested Board Member.

2.10.4 Notwithstanding anything contained in the Declaration or these By-Laws to the contrary, the following determinations of the Board shall be by Special Board Majority:

2.10.4.1 The relocation of any easement which would have an Adverse Effect on any Unit Owner or on any Unit Owner's exclusive easement areas without, in either such case, such Unit Owner's consent.

2.10.4.2 A contract or agreement with an Affiliate of a Unit Owner which (i) is in excess of $10,000 per annum (as escalated by CPI), or (ii) is not terminable without cause on thirty (30) days' notice by the Board.

2.10.4.3 Any other matter or action which the Declaration or these By-Laws expressly provides must be determined or taken by a Special Board Majority.

2.11 **Compensation**. No Member of the Board shall receive any compensation for acting as such.

2.12 **Liability of the Board and Unit Owners.**

2.12.1 To the extent permitted by Law, no Member or officer of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of the Condominium Managing Agent in connection with the affairs or operation of the Condominium, the General Common Elements or the Units, except for the gross negligence, bad faith or willful misconduct of such Member or officer. Every contract made by the Board or by the Condominium Managing Agent shall provide or be deemed to provide that it is made by the Board or the Condominium Managing Agent, as agent for the Condominium, that the Board Members, officers or Condominium Managing Agent shall have no personal liability thereon and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. No Unit Owner, in its capacity as Unit Owner, shall be personally liable for any contract, act or omission of the Condominium. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges or Special Assessments. Any such contract or agreement may also provide that it covers the assets, if any, of the Board. Notwithstanding anything in these By-Laws to the contrary, the Board Members shall have no liability to Unit Owners or the Board except that each Board Member shall be liable for its own bad faith, gross negligence or willful misconduct. Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify and hold harmless each Board Member and officer against any liability or claim arising out of such Member or officer serving in such capacity. The Board may contract or effect any transaction with any Board Member, any Unit Owner, or any Affiliate of any of them without, except in cases of bad faith, gross negligence or willful misconduct, incurring any liability for self-dealing, provided such contract or transaction is entered into in accordance with the provisions of Section 2.3.3.5.

2.12.2 The Board shall not be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common

Expense, except when any such failure or interruption is caused by the acts of bad faith, gross negligence or willful misconduct of the Board or any Member thereof; or (ii) any injury, loss or damage to any individual or property, occurring in or about either a Unit or any Common Element, unless caused by the acts of bad faith, gross negligence or willful misconduct of the Board or any Member thereof, as applicable.

2.13 **Fidelity Bonds.**

2.13.1 The Board shall obtain or ensure maintenance of fidelity bonds or insurance, in amounts deemed appropriate by it, consistent with industry standards, the Operating Standard and Section 5.2, for all of its Members, officers and employees and for the Condominium Managing Agent, if any, employed by it and the premiums on such bonds or insurance will constitute Common Expenses.

2.13.2 To the full extent permitted by Law, the Board shall purchase and maintain directors and officers insurance in accordance with Section 5.2.

2.14 **Principal Offices of the Board.** The principal offices of the Board shall be located within the Property or at such other place in the Borough of Brooklyn, Kings County reasonably convenient thereto as may be designated from time to time by the Board.

2.15 **Status of the Board.** In addition to the status conferred upon the Board pursuant to the provisions of the Condominium Act, the Board will, to the extent permitted by Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.16, the provisions of this Section 2.15 will no longer be applicable to the Board.

2.16 **Incorporation of the Board.** To the extent and in the manner provided in the Condominium Act, the Board may by action of the Board be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it will have, to the extent permitted by Law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and bylaws of any such resulting corporation will conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws will control in the event of any inconsistency or conflict between the provisions of these By-Laws and the provisions of such certificate of incorporation and by-laws.

2.17 **Board as Agent of Unit Owners.** In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board will act in good faith and in a non-discriminatory manner, as the agent of all the Unit Owners subject to and in accordance with the provisions of the Declaration and these By-Laws.

ARTICLE 3

OFFICERS

3.1 **Designation.** The principal officers of the Board shall be a President, Vice President, Secretary and Treasurer thereof who shall be appointed by the Members of the Board. Appointments of officers shall each be for a term of one year or such longer term as determined

by the Board from time to time. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers of the Board need be Unit Owners or have any interest therein or be a Member of the Board.

3.2 **Resignation and Removal of Officers.**

3.2.1 Any officer of the Board may resign at any time by Notice delivered in accordance with Section 4.1. Such resignation shall take effect at the time specified therein and, unless specifically requested in such Notice, acceptance of such resignation shall not be necessary to make it effective. A successor officer may be appointed by the Unit Owner that appointed the resigning officer for the resigning officer's remaining term.

3.2.2 An officer of the Board may be removed at any time, with or without cause, and a replacement officer shall be designated, in each case (i.e., both removal and replacement) solely by the Unit Owner entitled to designate such officer in accordance with Section 3.1.

3.3 **President.** The President of the Board shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President decides is appropriate to assist in the conduct of the affairs of the Condominium.

3.4 **Vice President.** The Vice President shall take the place of the President and perform the duties of the President whenever the President shall be unable to act. If both the President and the Vice President of the Board are unable to act, the Board shall appoint some Member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board or by the President.

3.5 **Secretary and Treasurer.**

3.5.1 The Secretary and Treasurer, in the capacity of Secretary of the Condominium, shall keep the minutes of all meetings of Unit Owners and of the Board. The Secretary/Treasurer shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

3.5.2 The Secretary and Treasurer, in the capacity of Treasurer of the Condominium, shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Secretary/Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the Condominium Managing Agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

3.6 **Execution of Documents.** Unless otherwise delegated by the Board, including, without limitation, as delegated to the Condominium Managing Agent pursuant to the

management agreement with the Condominium Managing Agent, or otherwise expressly provided in the Declaration or these By-Laws, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by a Board Member designated by the Residential Board unless the document relates to a matter to be determined or an action to be taken by only the Disinterested Board Member, in which event such document may be executed only by such Disinterested Board Member, which is required to be approved by a Special Board Majority, in which event such document shall be executed by the Board Member designated by the Retail Unit Owner and one Member of the Board designated by the Residential Board.

3.7 **Compensation of Officers.** No officer shall receive any compensation for acting as such.

ARTICLE 4

NOTICES

4.1 **Notices.** Any notice required or desired to be given under the Declaration or these By-Laws ("Notice") to the Board, Board Members, Unit Owners and Recognized Mortgagees shall be in writing and personally delivered or sent by registered or certified mail, or by recognized overnight courier service, to the most recent address of the Board, the Board Member, the Unit Owner or the Recognized Mortgagee (to the extent provided for under the terms of the applicable Recognized Mortgage) on file with the Board, or to such other address as any of such Parties may designate from time to time by Notice and to the other Parties, as the case may be, and a duplicate shall be sent in like manner to the Condominium Managing Agent, except in the case of an Emergency or as otherwise provided in the Declaration or these By-Laws. All Notices shall be deemed to have been given upon receipt as evidenced by a signed and dated receipt, and in the event of a failure to deliver by reason of changed address of which no Notice was given or refusal to accept delivery, as of the date of such failure.

4.2 **Waiver of Service of Notice.** Whenever Notice is required to be given by Law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the Party or Parties entitled to such Notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 5

OPERATION OF THE PROPERTY

5.1 **Determination of Common Expenses and Fixing of Common Charges.**

5.1.1 Except as otherwise provided in these By-Laws, the General Common Expenses, and Unit Expenses shall be determined by the Board. With respect to the facade of the Manhattan Avenue Building, the Residential Unit Owners shall pay 14.96% of the costs to maintain, repair and replace the facade of the Manhattan Avenue Building as set forth in Exhibit H, Budget Allocations.

5.1.2 The Board shall cause the Condominium Managing Agent to prepare a proposed annual budget for operations of the Property ("Annual Budget") for the Condominium for each calendar year and shall deliver such proposed Annual Budget to each of the Board

Members not later than October 1 of each calendar year. Such proposed Annual Budget shall include a property operating statement, a budget detail and trial balance for the General Common Elements including Common Expenses and Unit Expenses. The proposed Annual Budget shall show the estimated costs of Maintaining and operating the Condominium for the following calendar year, including capital expenditures, as necessary. Certain budgeted items are allocated among Commercial Unit #1 and Commercial Unit #2 on a special basis which reflects actual benefit and/or use associated with that particular item or expense or exclusive control of particular Common Elements. The proposed Annual Budget shall reflect Common Expenses charged to Unit Owners based upon the Budget Allocations annexed as Exhibit H to the Declaration. The proposed Annual Budget shall allocate and assess Common Expenses to each Unit Owner in accordance with the Budget Allocations in Exhibit H. Each Unit Owner shall pay its allocable share of the General Common Expenses (hereinafter, collectively, "Common Charges"), as applicable, on a quarterly or semi-annual basis, at the discretion of the Board, within ten (10) days after receipt of an invoice therefor from the Condominium Managing Agent; provided, however that amounts which become due under these By-Laws in respect of real estate taxes, insurance premiums and any unanticipated expenses not set forth in the then-current Approved Annual Budget (and which are outside the control of the Unit Owners and the Condominium Managing Agent) may be invoiced by the Condominium Managing Agent from time to time as such expenses are incurred and shall be promptly paid (and in any event shall be paid within ten (10) days) after receipt of an invoice therefor. The Board shall furnish (or cause to be furnished) copies of the proposed Annual Budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners. All costs and expenses set forth in the proposed Annual Budget that are allocable solely to the repair, maintenance and operation of a Unit shall be deemed to be Unit Expenses (and not Common Expenses), shall be borne solely by the Unit Owner of such Unit and shall be payable within thirty (30) days after receipt of an invoice therefor from the Condominium Managing Agent or other party to whom such payment is due. Any unanticipated Unit Expenses not set forth in the proposed Annual Budget (and which are outside the control of the Unit Owners and the Condominium Managing Agent) in respect of operating expenses attributable solely to a particular Unit may be invoiced by the Condominium Managing Agent from time to time as such expenses are incurred and shall be promptly paid by the Unit Owner (and in any event shall be paid within thirty (30) days) after receipt of an invoice therefor. In addition, if the Board of Managers incurs any increase in insurance premiums as a direct result of an increase in insurance risk resulting from any special use of Commercial Unit #1, the Commercial Unit #1 Owner shall bear the cost of any such increase in insurance premiums over the premiums that would be charged but for the extra insurance risk due to the use of such Commercial Unit #1.

5.1.3 Within thirty (30) days after a copy of the proposed Annual Budget has been furnished to the Unit Owners, the Board shall make such modifications to the proposed Annual Budget as the Board deems appropriate and shall adopt the Annual Budget ("Approved Annual Budget"). The Annual Budget may include a reserve fund in an amount of up to ten percent (10%) of the Approved Annual Budget, which may be allocated by the Board or the Condominium Managing Agent among any line-items in the Approved Annual Budget, and amounts in any line item in an Approved Annual Budget may be re-allocated by the Board or the Condominium Managing Agent to other line items.

5.1.4 Subject to the provisions of Section 5.1.5, any unanticipated capital expenditures approved by the Unit Owners shall be paid by the Unit Owners based on the method of allocation set forth in Exhibit H. Such expenditures may be invoiced by the Condominium Managing Agent from time to time but not more frequently than quarterly as such expenses are incurred, and shall be paid within thirty (30) days after receipt of an invoice therefor.

5.1.5 If the work to be performed under this Section is provided pursuant to a national or other contract that covers other properties owned or managed by one of the Unit Owners in addition to the Property, the costs payable under such contract with respect to the Property shall not be disproportionately higher than those payable with respect to the other properties covered by such contract.

5.1.6 "Special Assessments" shall mean those assessments levied against Unit Owners for the purpose of paying non-recurring, extraordinary expenses (including without limitation, capital expenses) with respect to the General Common Elements that are not included in the Approved Annual Budget. All such Special Assessments relative to the General Common Elements shall be determined and levied by the Board against the Unit Owners in accordance with the Budget Allocations set forth in Exhibit H. Such Special Assessments shall be payable by the Unit Owners in addition to their respective obligations to pay Common Charges. Special Assessments may be payable either in one lump sum or in installments, as the Board shall determine, provided, however, that the Board shall give each Unit Owner affected not less than thirty (30) days' Notice, except in the case of an Emergency, prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which Notice shall set forth, in reasonable detail, the nature and purpose thereof. The Board shall have all rights and remedies for the collection of Special Assessments as are provided for the collection of Common Charges (including, without limitation, the provisions of Sections 5.12 and 5.13).

5.1.7 Financial Surplus. If at the expiration of any Approved Annual Budget, the Board determines that there is a surplus of funds in the Condominium accounts, the Board shall distribute the surplus of funds to the Unit Owners in accordance with the Budget Allocations on Exhibit H for the items creating such surplus, reduce Common Charges due to the Unit Owners for a temporary period of time until the surplus is reduced, retain such surplus and add it to the reserve fund, or any combination of the foregoing, at the Board's sole discretion.

5.1.8 Real Estate Taxes. Until the Units are separately assessed for real estate tax purposes, the Unit Owners shall pay their respective share of all real estate taxes with respect to the Property (in accordance with Exhibit H annexed hereto) to the Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. Upon the separate assessment of the Units and issuance of separate real estate tax bills to the Unit Owners by the taxing authorities, the Retail Unit Owner and the Residential Unit Owners shall recalculate the real estate taxes paid for the prior tax year in the proportion that the real estate taxes finally assessed against the Retail Unit and Residential Section bears to the aggregate of the real estate taxes assessed against the Retail Unit and Residential Section ("Tax Recalculation"). The Tax Recalculation shall be determined not more than thirty (30) days after the final tax assessment for each Unit and in the event that the taxes paid by a Unit Owner prior to the separate assessment were less than should have been paid in accordance with the Tax Recalculation, not more than ten (10) days after the date of the Tax Recalculation, such Unit Owner shall reimburse the other Unit Owner for the differential. Following the recording of the an amendment to the Declaration subdividing Residential Section pursuant to Article 20 of the Declaration, to the extent necessary, another Tax Recalculation shall occur in accordance with the provisions of this Section 5.1.8 upon the issuance of bills to the Unit Owners by the taxing authorities.

5.2 **Insurance.**

5.2.1 The Board shall be required to obtain and maintain to the extent reasonably obtainable the following insurance ("Condominium Insurance"):

5.2.1.1 Special Form "all risk" building property insurance, including, but not limited to, collapse, loss or damage occasioned by fire, the perils included in the so-called extended coverage endorsement, vandalism and malicious mischief, Acts of Terrorism (as defined in the Terrorism Risk Insurance Act of 2002 ("TRIA") including any extensions and amendments thereof) and water damage on the core and shell of the Building and the General Common Elements (for purposes of all risk insurance, the core and shell of the Building will include the Exterior Façade, all sidewalks, columns, girders, floor slabs, ceilings, beams, supports and all load bearing walls regardless of whether located in or appurtenant to a particular Unit), including Builder's Risk during construction of Common Elements or paid for by a Unit Owner who is doing construction work in the General Common Elements, in each case in an amount equal to Replacement Cost with an Agreed Amount Valuation, and covering the interests of the Condominium, the Board, all Unit Owners and their Recognized Mortgagees, as their respective interests may appear ("Condominium Property Insurance"). Such insurance shall include flood and earthquake coverage in amounts to be determined by the Board to be reasonably adequate and available, and each of such policies of insurance shall contain a New York standard mortgagee clause in favor of each Recognized Mortgagee as its interests may appear, subject, however, to the loss payment provisions in favor of the Board. Insurance covering Acts of Terrorism shall be required only so long as TRIA is in effect and such insurance is available at reasonable commercial rates and terms. If TRIA is no longer in effect or such insurance is not available at reasonable commercial rates and terms, any Unit Owner may nonetheless require the Condominium to carry such terrorism insurance provided that such Unit Owner assumes and pays all costs and expenses thereof as a Unit Expense.

5.2.1.2 Business income insurance, including loss of Common Charges in an amount equal to the total Common Charges payable by all Unit Owners for at least twelve (12) months;

5.2.1.3 Worker's compensation insurance, New York State disability benefits insurance and employer's liability insurance coverage covering employees of the Condominium, if any, required to be covered by New York State Law;

5.2.1.4 Boiler and machinery insurance constituting part of Building Systems Equipment or Building Systems;

5.2.1.5 Commercial general liability coverage obtainable by combination of a primary general liability policy with an umbrella policy including broad form coverage, contractual liability and Acts of Terrorism (as defined in TRIA) (to the extent such terrorism coverage is required pursuant to Section 5.2.1.1 above), with a combined single limit of not less than $25,000,000 per occurrence, which shall be written on an occurrence basis, providing coverage for bodily injury (including death, personal injury and advertising injury), as well as injury or damage to property in or upon the Property, including the sidewalks, arising out of the management, ownership or operation of the Condominium (all of the insurance described in this clause collectively "Condominium Liability Insurance"); it being agreed that the Board may increase any or all of the foregoing limits of Condominium Liability Insurance from time to time, provided, that such increased limits of Condominium Liability Insurance shall be consistent with the limits then customarily being maintained commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn and are based on the then use and occupancy of the Property.

5.2.1.6 If a sprinkler system shall be located in the Building, but outside of a Unit, sprinkler leakage insurance in amounts reasonably satisfactory to the Board;

5.2.1.7 Directors and Officers Insurance (including Employment Practice Liability if the Condominium has any paid employees), covering all Board members with minimum limits of Two Million Dollars ($2,000,000) as adjusted for inflation or such higher amount as the Board deems appropriate;

5.2.1.8 Combination crime insurance, including blanket employee dishonesty, covering the Board, the officers of the Condominium, any employees of the Board and the Condominium and also covering the Managing Agent, if the Managing Agent is not required to obtain such coverage for its employees under the Condominium Management Agreement, with a minimum limit of Five Hundred Thousand Dollars ($500,000) or such higher amount as the Board deems appropriate;

5.2.1.9 Such other insurance with respect to the Building, and in such amounts against such other insurable hazards which at the time in question are commonly insured against commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn as determined by the Board.

5.2.1.10 During the period of the time that the Sponsor is performing its construction work to the Residential Section until substantial completion thereof, the Condominium Property Insurance and the Condominium Liability Insurance shall be obtained by the Sponsor, at its sole cost and expense, naming the Condominium, each Recognized Mortgagee and the Unit Owners as additional insureds. After substantial completion of the construction work to the Residential Section, the Condominium Property Insurance and the Condominium Liability Insurance shall be obtained the Board. The premiums for such insurance policies shall be charged as a Common Expense in accordance with Exhibit H, entitled Budget Allocations. All insurance set forth above, where applicable, shall: (a) be primary and non-contributing in favor of the Condominium and Unit Owners, (b) include a waiver of subrogation, and (c) have no New York labor law exclusions of any type or kind. As used herein, "substantial completion" shall mean all construction work has been completed other than minor punch-list items and either a temporary or permanent certificate of occupancy has been issued for the Residential Section.

5.2.2 Each Unit Owner, at its cost and expense, shall maintain or require the future tenants or occupants of its Unit to maintain, at all times such additional insurance, in type and limit, as is commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn may reasonably require, including, without limitation, the following insurance ("Unit Owner Insurance"):

5.2.2.1 Commercial General Liability insurance coverage on an occurrence basis with respect to its ownership, operation, maintenance, use and control of its Unit against liability for bodily injury including death, personal/advertising injury, and containing coverage for Acts of Terrorism liability (to the extent such terrorism coverage is required pursuant to Section 5.2.1.1 above and is applicable and available) with a limit of not less than Three Hundred Thousand Dollars ($300,000) for each Unit within the Residential Section, and with respect to the Retail Unit, the limit set forth in the Existing Lease (all of the insurance described in this Section 5.2.2.1, collectively, "Unit Owner Liability Insurance"), naming the Board, the Condominium Managing Agent, other Unit

Owners and any Recognized Mortgagees, as additional insureds, it being agreed that the Board may increase any or all of the foregoing limits of Unit Owner Liability Insurance from time to time, and such increased limits shall not be less than the limits of liability insurance customarily being maintained commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn based on the then use and occupancy of the Unit;

5.2.2.2 With respect to a Unit within Residential Section, special form "all risk" property insurance for the full replacement cost (including, but not limited to, water damage) covering all of the applicable personal property contained within the such Unit, including fixtures, flooring, cabinets, equipment, furniture, other personal property within the Unit in an amount equal to the Replacement Cost with an Agreed Amount Valuation; and with respect to the Retail Unit, special form "all risk" property insurance for the full replacement cost (including, but not limited to, collapse, loss or damage occasioned by fire, the perils included in the so-called extended coverage endorsement, vandalism and malicious mischief, Acts of Terrorism (to the extent such terrorism coverage is required pursuant to Section 5.2.1.1 above) and water damage covering all of the applicable business and trade fixtures, equipment, movable partitions, furniture, merchandise and other personal property within the Unit and any leasehold improvements performed by or for the benefit of tenants or occupants of the Retail Unit, in each case in an amount equal to the Replacement Cost with an Agreed Amount Valuation; provided, however, the Retail Unit Owner shall not be deemed to be in violation of this Article 5 merely due to the failure of a tenant under an Existing Lease to comply with the requirements of this Section 5.2.2 so long as the Existing Tenant under the Existing Lease complies with the insurance requirements under such Existing Lease (collectively, "Unit Owner's Property Insurance");

5.2.2.3 If a sprinkler system shall be located in a Unit (which does not constitute a Common Element), sprinkler leakage insurance in amounts reasonably satisfactory to the Board (if such coverage is not included in the coverage maintained in accordance with Section 5.2.2.2);

5.2.2.4 Boiler and Machinery insurance including explosion insurance in respect of steam and pressure boilers and similar apparatus ("B&M Equipment"), if any, located in such Unit Owner's Unit and not constituting a Common Element, in the amount of the full replacement cost of such B&M Equipment including such B&M Equipment that services the improvements in the Unit;

5.2.2.5 Business interruption coverage, in an amount sufficient to replace twelve (12) months of income, revenue, extra expenses and necessary continuing expenses, including, but not limited to, debt service to be paid by a Unit Owner and rental payments and other continuing expenses for all of the perils listed in Sections 5.2.2.2 through 5.2.2.4;

5.2.2.6 During the performance of any Work by a Unit Owner, such Unit Owner shall, at its sole cost and expense, maintain or cause to be maintained by its contractor the following insurance:

5.2.2.6(a) Worker's Compensation and Disability Benefits Insurance, as required by the laws of the State of New York and Employer's Liability Insurance;

5.2.2.6(b) Commercial General Liability insurance, including Products/Completed Operations Coverage, and a contractual liability extension which provides that coverage is primary and non-contributory to any and all commercial liability policies in force by the Condominium Board, Units Owners and the tenant under the Existing Lease, covering the Board, the Condominium Managing Agent, other Unit Owners and any Recognized Mortgagee as additional insureds, in an amount customarily maintained and carried consistent with the nature of the Work being performed and approved by the Board, and contractors commercial liability shall have no exclusions or limitations for (i) New York labor laws (such as scaffold, fall from heights restrictions), and (ii) employee exclusions and restrictions to a third party over Claims, ; and

5.2.2.6(c) All-risk Builder's Risk Coverage covering the Board, the Condominium Managing Agent, other Unit Owners and any Recognized Mortgagee as additional insureds, in an amount customarily maintained and carried consistent with the nature of the Work being performed, and approved by the Board.

5.2.2.7 Such other insurance with respect to a Unit, but not the core and shell thereof or any Common Elements to the extent insured under Section 5.2.2.1, and in such amounts as the Board from time to time may reasonably request against such other insurable hazards which at the time in question are customarily being maintained commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn and based on the then use and occupancy of the Unit.

5.2.3 All Policies provided for in this Section 5.2 shall contain clauses or endorsements, to the extent obtainable (without the payment of additional premiums), to the effect that the Policies shall not be materially changed (other than to increase the coverage provided thereby) or canceled or not renewed without at least thirty (30) days' prior Notice to any party named therein as an additional insured, including, without limitation, any Recognized Mortgagee (except that, in the event of non-payment of premium, the Policies may be canceled upon ten (10) days' prior Notice to any party named therein as an additional insured, including, without limitation, any Recognized Mortgagee).

5.2.4 The following provisions shall apply with respect to the insurance requirements of the Board, Unit Owners, or both, as applicable, set forth in this Section 5.2.

5.2.4.1 The policies of insurance shall be from companies rated in the A.M. Best Key Rating Guide with ratings of at least A- and of at least VII, and each such company shall be authorized to write insurance in the State of New York.

5.2.4.2 No Unit Owner shall (1) knowingly do or permit any act or thing to be done in or to its Unit which will invalidate or be in material conflict with any public liability, property or other policy of insurance at any time carried by the Board with respect to the Property, (2) knowingly keep anything in its Unit or in the General Common Elements which is prohibited by the Fire Department, Board of Fire Underwriters, fire insurance rating organization or other authority having jurisdiction or (3) knowingly permit its Unit or the General Common Elements to be used in any manner which will increase the insurance rate for the Property over that in effect as of the date of the Declaration, unless such Unit Owner pays the additional cost thereof as provided below.

5.2.4.3 Any costs, expenses, fines, penalties or damages which shall be imposed upon the Board by reason of a default by a Unit Owner in performing its obligations under this Section 5.2 or by reason of any increase in the premium charged for insurance carried by the Board resulting from a change in the insurance rate for the Property attributable to a use of such Unit Owner's Unit, other than for rental use, ancillary uses or for any other use to which such Unit is put as of the Declaration Date, shall be assessed against such Unit and shall be payable by the Unit Owner thereof. For all purposes under these By-Laws, a schedule or "makeup" of rates for the Property issued by the New York Fire Insurance Rating Bureau or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

5.2.4.4 Any policies required to be maintained by a Unit Owner may be maintained under a blanket policy or policies; provided, however, that the minimum amount of the total insurance afforded by such blanket policy which shall be allocable to the Unit Owner's Unit and the Work to be performed and any sub-limits of such policy allocable to the Unit shall be in amounts which shall not be less than the amounts of the insurance required under these By-Laws, and the protection afforded under such policy shall be not less than that which would have been afforded under a separate policy or policies, and the certificate evidencing such insurance shall contain provisions confirming the foregoing.

5.2.4.5 The coverages required under this Section 5.2 shall be increased upon the reasonable request of a Recognized Mortgagee from time to time with respect to either the General Common Elements or the Unit on which the Recognized Mortgagee holds a Recognized Mortgage. To the extent such increased coverages are requested by a Recognized Mortgagee, the Unit Owner who holds such mortgage shall bear the increased premiums resulting therefrom as a Unit Expense.

5.2.4.6 All policies maintained by the Board shall acknowledge and provide that (a) all Unit Owners and Recognized Mortgagees are deemed additional insureds for any liability insurance except that Unit Owners shall not be considered additional insureds with respect to the operations of their own Unit and (b) the Board is deemed a loss payee for casualty to a Common Element. The Board shall provide a certificate of insurance for all insurance policies, including for renewal or replacement, to all Unit Owners.

5.2.4.7 All policies maintained by the Unit Owners shall acknowledge and provide that the Board and Recognized Mortgagees are deemed additional insureds for any liability insurance. The Unit Owners shall provide a certificate of insurance for all insurance policies, including for renewal or replacement, to the Board.

5.2.4.8 A Unit Owner shall include in the policies of insurance required to be maintained by a Unit Owner an agreement by the insurer that it will not cancel such policy except after thirty (30) days' prior Notice (or ten (10) days' prior Notice in the case of cancellation for non-payment of the Premium therefor) to the Board and any Recognized Mortgagee. In addition, a Unit Owner shall promptly notify the Board upon such Unit Owner's receipt of any Notice that any policy of insurance required to be maintained by such Unit Owner will be cancelled. A Unit Owner shall also immediately

notify the Board if at any time its insurance coverage fails to meet the minimum requirements of Section 5.2.

5.2.4.9 The Board shall include in the policies of insurance required to be maintained by the Board an agreement by the insurer that it will not cancel such policy except after thirty (30) days' prior Notice (or ten (10) days' prior Notice in the case of cancellation for non-payment of the premium therefor) to the Unit Owners. In addition, the Board shall promptly notify the Unit Owners upon the Board's receipt of any Notice that any policy of insurance required to be maintained by the Board will be cancelled.

5.2.4.10 Liability coverage shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance. The policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of "written agreement," as defined in the standard ISO liability policy, to the extent permitted by Law.

5.2.4.11 Neither the issuance of any insurance policy under these By-Laws, nor the minimum limits specified in these By-Laws, with respect to a Unit Owner's insurance coverage, shall be deemed to limit or restrict in any way any Unit Owner's liability in connection with or arising out of its Work and the indemnification obligations set forth in the Declaration.

5.2.5 All property insurance maintained under these By-Laws shall contain waivers of subrogation. The Board and each Unit Owner hereby releases, waives and agrees that they shall make no claim (including a claim based on negligence) for recovery against any of the others for damages to or loss of the General Common Elements and/or any Unit, or any improvements and betterments thereon or therein, and injury or damage arising out of operations if such damage injury or loss is, or is required under these By-Laws to be, covered by insurance which contains a waiver of subrogation and/or a clause permitting the insured to release or waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages obtained and maintained under these By-Laws.

5.2.6 With respect to insurance obtained by the Board, if any of the insurance coverages or requirements, including without limitation, the deductibles with respect thereto, are unavailable or unavailable at commercially reasonable rates, then in lieu thereof, the Board may obtain and maintain such other insurance coverages customarily being maintained commensurate with property similar to the Property located in the Greenpoint and Williamsburg areas of Brooklyn, Kings County, New York.

5.2.7 The Board shall keep copies of all policies required to be maintained by the Board and shall provide copies thereof, upon request, to the Residential Board, the Retail Unit Owner and, in the event of a Subdivision, to the Resultant Board. The Board shall keep certificates evidencing the insurance required to be maintained by each Unit Owner and shall make such certificates available for inspection at the office of the Condominium at reasonable times on Business Days. If the Board fails to obtain and maintain the insurance required by the Board in this Article 5, then any one or more of the Unit Owners shall have a joint and several right, upon three (3) Business Days' Notice to the Board, to obtain such insurance in the required amounts. All premiums paid therefor shall be deemed a debt and obligation of the Board to be repaid with

interest at the Default Rate. Each of the Unit Owners shall be deemed to have a power of attorney, coupled with an interest, from the Board to act on its behalf to perform the obligations of the Board as set forth in this Section 5.2.7.

5.2.8 Without limiting the remedies of the Board for a Unit Owner's default, in the event that a Unit Owner fails to maintain the insurance required under these By-Laws and provide a certificate or other evidence of insurance required to be provided by each Unit Owner under these By-Laws and does not cure such default within ten (10) Business Days after Notice from the Board or any other Unit Owner, the Disinterested Board Member, on behalf of the Board, shall be authorized (but not required), if the same remains uncured, to procure such coverage on behalf of such Defaulting Unit Owner and the cost thereof shall be charged back to such Unit Owner as a Unit Expense with interest at the Default Rate.

5.2.9 The Board shall obtain and maintain such additional or greater insurance coverage as may be requested in writing by a Unit Owner, provided such Unit Owner shall pay the premium (or increase in existing premiums) related thereto. Such additional premium shall, to the extent the other Unit Owners elect not to obtain such additional or greater insurance coverage, be charged as a Unit Expense against the requesting Unit Owner.

5.3 **Repair or Reconstruction after Fire or Other Casualty.**

5.3.1 If the Building is damaged by fire or other casualty, the Board shall, with due diligence and in as timely a manner as practicable under the circumstances, cause the damage to be repaired and the Building (exclusive of build outs and other similar interior improvements which shall be the responsibility of the affected Unit Owner in accordance with Section 5.4) to be restored pursuant to the following provisions of this Section 5.3 and Sections 5.4 through 5.9, unless such casualty is a Significant Casualty and the Unit Owners do not resolve pursuant to Section 5.5 to proceed with a Repair, in which event the provisions of Section 5.5 shall apply.

5.3.1.1 Claims shall be adjusted as follows: (x) if the casualty affects only the Retail Unit (or any portion thereof), such adjustment shall be made by the Retail Unit Owner, (y) if the casualty affects only the Residential Section (or any portion thereof), such adjustment shall be made by the Residential Board, and (z) in all other cases, such adjustment shall be made by the Board.

5.3.1.2 The Board shall cause all necessary Repairs with respect to the General Common Elements to be performed in accordance with the provisions of this Section 5.3 and Sections 5.4 through 5.9. If proceeds with respect to a loss shall be payable to the Board, the Board (i) shall hold such proceeds in trust for the purpose of paying the costs of the Repairs as provided in Section 5.3.1 and (ii) shall apply such proceeds first to the payment in full of the cost of such Repairs before using any part of the same for any other purpose. The Board shall give Notice of completion of any such Repairs to the Unit Owners, then the excess proceeds shall be distributed in accordance with Section 5.8. In connection with the Repairs to the Building in accordance with the provisions of this Section 5.3 and Sections 5.4 through 5.9, the Board shall engage an Architect. The Repairs shall be commenced and pursued to completion in as timely a manner as practicable and shall be performed on behalf of the Board by a Contractor approved by the Board. If Repairs are required to the Residential Section during the initial construction Work of the Residential Section, the Sponsor shall be responsible for such

Repairs utilizing the Contractor retained by the Sponsor Owner to perform the initial construction Work of the Residential Section.

5.3.1.3 The plans and specifications for Repairs of the General Common Elements shall be prepared by the Architect in accordance with instructions by the Board. The Residential Board with respect to Residential Section and the Retail Unit Owner with respect to the Retail Unit shall each have the right to engage their own designated Architect for the preparation of plans and specifications for Repairs to the Unit Owners' respective Units. In all cases, the plans and specifications shall provide for the restoration of the damaged portion of the Building as close as commercially practicable to the Building as it existed prior to the damage or destruction, except to the extent any changes in Law require otherwise or unless agreed to by Special Board Majority. The Board shall cause the Architect to furnish to each of the Unit Owners and the Board a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared for the General Common Elements. If, in connection with any Repairs under Section 5.3 of these By-Laws, the Residential Board or the Retail Unit Owner desires to make any material change in the Building, the consent of the other Unit Owners and, if applicable, any Governmental Authority, shall be required, which consent of the other Unit Owner shall not be unreasonably withheld, conditioned or delayed provided that such change is consistent with the Operating Standard, such change will not have an Adverse Effect on the other Unit Owner, and additional costs associated with such changes over and above those which would be incurred in connection with an "as is" Repair (including without limitation, any increase in Common Expenses as a result of such change) shall be borne as a Unit Expense by the Unit Owner requesting such change. The provisions set forth in this Section 5.3.1.3 shall not apply to any improvements and other interior components in a Unit which provisions are set forth in Section 5.4.

5.3.1.4 During the course of the Repairs, the Board shall maintain the Builder's Risk insurance required pursuant to Section 5.2.1.

5.4 **Improvements and Other Interior Components.** In the event any build outs or other similar improvements to the interior of any of the Units, and any equipment and/or systems that are located in Limited Common Elements appurtenant to such Unit and located outside of the Unit and exclusively serving such Unit, as applicable, are damaged or destroyed by fire or other casualty, the affected Unit Owner, at its sole cost and expense, shall promptly remove any rubble and debris resulting from such event and, within a reasonable time thereafter, shall, at its sole cost and expense, (i) Repair any space on the First Floor so damaged to a habitable and usable condition in compliance and conformity with Law, the Declaration, these By-Laws and the Operating Standard, and (ii) with respect to any other space so damaged, Repair such space to a safe and secure condition in compliance with Law and perform such Work so that the visible exterior appearance of the Building shall be in conformity with the Operating Standard.

5.5 **Significant Casualty.**

5.5.1 In the event (i) more than seventy five (75%) percent of the square footage of the Building is damaged or destroyed by fire or casualty ("Significant Casualty") as determined by the Board, and (ii) the Unit Owners agree to Repair the Building, then the Building shall be repaired or restored in accordance with the provisions of Section 5.3 and 5.4 above.

5.5.2 If a Significant Casualty occurs and the Unit Owners do not agree to Repair the Building, (i) the Board shall secure and fence in the Property boundary, and shall raze the

Building, if necessary, and put the Building and Property into compliance with Law, and otherwise make the Property and Building safe (all of the activities described in this clause (i), the "Safety Work"), and (ii) the Condominium shall be terminated. The insurance proceeds, net of costs and expenses of the Board and the cost of any Safety Work, shall be disbursed into a trust fund for the benefit of all Unit Owners and deemed allocated amongst the Unit Owners in proportion to their respective Common Interests and delivered to the Depositary, which trust funds shall thereafter be distributed by the Depositary to each Unit Owner based upon the relative fair market value of each Unit Owner's respective Unit immediately prior to such Significant Casualty (it being agreed that nothing contained in this Section 5.5.2 shall contravene the intention of all Unit Owners to distribute funds to each Unit Owner based upon relative fair market value). However, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of net proceeds all liens on such Unit Owner's Unit, in the order of priority of such liens. If the Unit Owners cannot agree as to the relative fair market value of the Units within ninety (90) days following the date of the Significant Casualty, any Unit Owner shall be entitled to commence an action in a court of competent jurisdiction in the City, County and State of New York, to resolve the issue of each Unit's fair market value. Pending the resolution of a dispute between the Unit Owners (or a final non-appealable order of a court of competent jurisdiction) as to the fair market value of the Units, Special Board Majority may direct the Depositary to distribute those funds to the Unit Owners which are not the subject of the dispute.

5.5.3 To the extent that a Recognized Mortgagee has the right under a Recognized Mortgage secured by a Unit, to vote or consent on behalf of the Unit Owner with respect to whether to proceed with the Repairs of the Building or to exercise any proxy granted by the Unit Owner with respect thereto, as provided in this Section 5.5 and provided the Recognized Mortgagee has notified the Board of such right in writing, such rights of the Recognized Mortgagee are hereby recognized and consented to. Under no circumstances will a Recognized Mortgagee have any greater rights under the Declaration or these By-Laws than the Unit Owner whose Unit is the subject of its Recognized Mortgage. The Recognized Mortgagee holding the most senior lien will have the right to vote or consent on behalf of the Unit Owner with respect to whether to proceed with the Repairs of the Building or to exercise any proxy granted by the Unit Owner with respect thereto.

5.5.4 In the event of a Subdivision, each Resultant Unit Owner, upon acceptance of a deed to such Resultant Unit, will be deemed to have granted to the Resultant Board representing the Resultant Units created from the Subdivision of the Residential Section or the Retail Unit, as applicable, an irrevocable proxy and power of attorney, coupled with an interest, to be used by the applicable Resultant Board in the applicable Resultant Board's sole and absolute discretion, in connection with any vote or solicitation of consents of the Unit Owners for the purpose of resolving whether to proceed with the Repairs of the Building as provided in this Section 5.5 or other vote or consent required of the Residential Board or Retail Unit Owner pursuant to the Condominium Documents. The grant of such irrevocable proxy and power of attorney will run with the land and any subsequent conveyance of a Unit will not be deemed to terminate the proxy or the power of attorney.

5.6 **Determination of Cost.** Each Unit Owner shall be solely responsible for the cost of the Repair to such Unit Owner's Unit to the extent not covered by insurance. The cost of Repairs, if any, after taking into account the insurance proceeds, of the General Common Elements shall be allocated to the Unit Owners based on each Unit Owner's respective percentage of Common Interest.

5.7 **Excess Insurance Proceeds.** Upon completion of the Repairs in accordance with

the provisions of Section 5.3 and full payment therefor and for all costs in connection therewith, any excess insurance proceeds shall be distributed as follows:

5.7.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the Repair as provided in these By-Laws, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owners to the extent advanced by such other Unit Owners (pro rata based on the amounts advanced by each such Unit Owner for such deficiency).

5.7.2 Any remaining balance shall be paid to the Unit Owners, subject to the rights of any Recognized Mortgagee or holder of any other lien, in order of priority, with respect only to the portion of such balance payable to the Unit Owner whose Unit is encumbered by such Recognized Mortgage or lien, respectively, in proportion to each Unit's respective percentage of Common Interest.

5.8 **Obligation and Rights to Rebuild.** Except as set forth in Sections 5.4 and 5.5 above, the Board and the Unit Owners shall be obligated to Repair the Building regardless of whether or not any insurance proceeds are available. Furthermore, the Board and each Unit Owner shall cooperate with the other Unit Owners and the Board in connection with any such Repairs to the Building.

5.9 **Costs Defined.** For purposes of Sections 5.3 through 5.7.2, Architects' fees, attorneys' fees (other than those arising from a dispute between or among the Parties under these By-Laws, including, without limitation, a dispute that is submitted to Arbitration), consultants' fees, title insurance premiums and other similar costs and expenses (including costs incurred by the Board) relating to Repairs of the Units, or of the General Common Elements, shall be included in the costs and expenses of any such Repairs of the Units, or of the General Common Elements, respectively, and shall be payable in accordance with Section 5.6.

5.10 **Payment of Common Charges.**

5.10.1 The Unit Owners shall be obligated to pay to the Board the Common Charges and Special Assessments in accordance with the provisions of Section 5.1.

5.10.2 No Unit Owner shall be liable for the payment of any part of the Common Charges, Special Assessment or Unit Expenses assessed against such Unit Owner's Unit subsequent to the effective date of a sale or other conveyance by such Unit Owner (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interest. A purchaser or transferee of a Unit shall be liable for the payment of Common Charges, Special Assessments or Unit Expenses accrued and unpaid against such Unit prior to the acquisition by such purchaser or transferee of such Unit. Except to the extent prohibited by Law, the Board, (x) on behalf of all Unit Owners shall have a lien on each Unit for unpaid Common Charges, Special Assessments and Unit Expenses, and (y) on behalf of any Creditor Unit Owner, shall have a lien on each Unit of a Debtor Unit Owner for unpaid Common Charges and/or Special Assessments paid or otherwise incurred by such Creditor Unit Owner on behalf of the Debtor Unit Owner.

5.10.3 No Unit Owner may exempt itself from liability to pay Common Charges, Special Assessments or Unit Expenses or from any of its other obligations under the Declaration or these By-Laws by waiver of the use or enjoyment of any of the General Common Elements or by abandonment of its Unit. Any sums assessed against a Unit Owner by the Board, or expended by a Unit Owner or the Board on behalf of another Unit Owner (including, without limitation, for

Unit Expenses) as provided in the Declaration or these By-Laws, shall be deemed Common Charges payable under this Section 5.10 for which the Board shall have a lien for nonpayment as provided in Section 5.12.

5.10.4 The lien of any mortgage on a Unit shall be subordinate to all liens provided for in Section 5.10.2 except to the extent prohibited by Law.

5.10.5 Notwithstanding Section 5.10.2, neither the seller nor the purchaser of a Unit shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges, Special Assessments or Unit Expenses against such Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Board (provided such statement is so requested by the seller or purchaser of the Unit prior to closing of title to the Unit).

5.11 **Collection of Common Charges.** The Disinterested Board Member(s), on behalf of the Board, and pursuant to the Declaration and these By-Laws, shall take prompt action to collect any Common Charges, Special Assessments and Unit Expenses due to the Board, which remain unpaid for more than thirty (30) days after the due date for payment thereof.

5.12 **Default in Payment of Common Charges and other Obligations.** In the event any Unit Owner fails to make payment of Common Charges, Special Assessments or Unit Expenses when due, such Unit Owner shall be obligated to pay interest thereon at the Default Rate (provided that the Unit Owner has received prior Notice from the Board or the Condominium Managing Agent and an opportunity to cure pursuant to Section 5.24) on such unpaid amounts computed from the due date thereof, together with all reasonable expenses, including, without limitation, reasonable attorneys' fees paid or incurred by the Board or by the Condominium Managing Agent in any proceeding brought to collect such unpaid Common Charges, Special Assessments or Unit Expenses, as applicable, or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges, Special Assessments or Unit Expenses, as applicable, as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. Notwithstanding the foregoing, the Board may establish its own reasonable alternate fees for late payments, whether such fees are more or less than the charges set forth. All such "late charges," interest, fees and expenses (collectively, "Default Costs") shall be added to and shall constitute Common Charges or Special Assessments, as applicable, payable by such Unit Owner and the Board's lien for unpaid Common Charges and/or Special Assessments and/or Unit Expenses, as applicable, shall also secure payment of such Default Costs. The Board shall diligently and in good faith enforce the obligations of each Unit Owner to pay Common Charges, Special Assessments or Unit Expenses. If a Unit Owner fails to make any payments required to be made under the terms of the Declaration and these By-Laws (such Unit Owner, a "Debtor Unit Owner"), another Unit Owner may, but shall have no obligation to, make such payment ("Creditor Unit Owner"), provided, such Creditor Unit Owner gives Notice to the Debtor Unit Owner, the Debtor Unit Owner's Recognized Mortgagee, if any, in accordance with Section 6.3 and the Board of its intention to make such payment if such default is not cured within thirty (30) days following receipt of such Notice. The Creditor Unit Owner shall be entitled to reimbursement for all such payments, including reasonable expenses incurred as a result thereof, together with interest earned thereon from the date advanced until the date paid at the Default Rate and the Board shall have a lien on the Debtor Unit Owner's Unit as though such amounts were payable to the Board as Common Charges, but such lien shall be held and enforced by the Disinterested Board Member(s) on behalf of the Board, and pursuant to the Declaration and these By-Laws, for the benefit of the Creditor Unit Owner.

5.13 **Foreclosure of Liens for Unpaid Common Charges.** Upon the foreclosure of a lien on a Unit by the Disinterested Board Member(s), acting on behalf of the Board and pursuant to the Declaration and these By-Laws, because of unpaid Common Charges, Special Assessments or Unit Expenses, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit from and after the commencement of the foreclosure action and the purchaser in such foreclosure action shall be entitled to collect the same. A suit to recover a money judgment for unpaid Common Charges and/or Special Assessments and/or Unit Expenses shall be maintainable without foreclosing or waiving the lien securing such charges. No action shall be brought to foreclose such lien unless thirty (30) days' Notice of claim of lien is given to the Defaulting Unit Owner and any Recognized Mortgagee thereof. The Board, acting on behalf of the Unit Owners, shall have the power to bid in the amount of the lien at the foreclosure sale and to acquire and hold, lease, mortgage and convey same. As long as the lien for unpaid Common Charges, Special Assessments and Unit Expenses is superior to the lien of any mortgage on such Unit, the Unit Owner of such Unit shall remain liable for any deficit if the net proceeds received on such foreclosure sale (after deduction of all reasonable legal fees, advertising costs, brokerage commissions and other reasonable costs and expenses incurred in connection therewith) are insufficient to satisfy the Defaulting Unit Owner's obligations under these By-Laws. If the lien for unpaid Common Charges, Special Assessments and/or Unit Expenses is subordinate to the lien of any mortgage on such Unit, then a purchaser of a Unit shall be liable for the payment of Common Charges, Unit Expenses and any Special Assessments accrued and unpaid against such Unit prior to the acquisition by such purchaser of such Unit, subject to Section 5.14 below; and the owner of such Unit prior to the foreclosure sale or deed in lieu of foreclosure shall remain liable for the payment of all unpaid Common Charges, Unit Expenses and any Special Assessments, which accrued prior to such sale or deed in lieu of foreclosure.

5.14 **Statement of Common Charges and Certificate of Estoppel.** Upon the request of any Board Member, Unit Owner or Recognized Mortgagee, the Disinterested Board Member, on behalf of the Board, shall promptly provide a written statement of all unpaid Common Charges, Special Assessments, Unit Expenses, late charges and interest due to it from a Unit Owner. Upon the request of any Board Member, Unit Owner of a non-residential Unit or a Recognized Mortgagee of a non-residential Unit, the Disinterested Board Member, on behalf of the Board, shall promptly execute and deliver an estoppel certificate in accordance with the provisions of Section 6.6.7.

5.15 **Alterations and Repairs of Units.** Each Unit shall be Maintained in good order and repair in a manner consistent with the Operating Standard, subject to any rights of Existing Tenants, by the Unit Owner thereof at its sole cost and expense. The Unit Owners shall promptly make or perform, or cause to be made or performed, all Maintenance and Repairs necessary in connection with their respective obligations under the Condominium Documents. Each Unit Owner shall have the affirmative duty to Maintain its respective Unit in such a manner so as to reasonably prevent and avoid imposing an Adverse Effect on another Unit Owner.

5.15.1 Unit Work. Each Unit Owner shall have the right, pursuant to the terms of Article 10 of the Declaration but subject to the provisions of these By-Laws, to perform Work, to or upon the interior of its Unit, whether structural or non-structural, ordinary or extraordinary (collectively, "Unit Work") in compliance with Law and subject to the provisions of this Section 5.15.

5.15.1.1 No Unit Work may jeopardize the soundness or structural integrity of any Unit or the General Common Elements or the safety of any Permitted Users or

involve commercially unreasonable levels of noise, odors or vibrations (taking into account the fact that portions of the Building may be occupied by the Existing Tenant subject to the Existing Lease). Each Unit Owner shall make commercially reasonable efforts to perform Unit Work in a manner so as to minimize any adverse impact on another Unit or the General Common Elements. No Unit Owner shall have the right to modify the appearance of the Exterior Façade without first obtaining the consent of a Special Board Majority, except that no Board approval shall be required if such modification is required by Law. No consent of the Board or another Unit Owner shall be required in connection with the modification of the appearance of a Unit Owner's storefront or its Signage so long as such modification conforms to the Operating Standard and such Unit Owner has obtained any approval required by Law.

5.15.1.2 Each Unit Owner, at its expense, shall obtain and keep in effect during the course of the Unit Work, all necessary municipal and other governmental permits, authorizations, approvals and certificates for the commencement and prosecution of its Unit Work and shall obtain final approval thereof upon completion (including, without limitation, a certificate of occupancy or an amendment thereto) and deliver copies of the same to the Board, and obtain and maintain insurance coverage with respect to the Unit Work as required under Section 5.2. The Board shall cooperate with a Unit Owner and, at such Unit Owner's expense, execute all applications, authorizations and other instruments reasonably required to enable such Unit Owner to obtain such permits, authorizations, approvals and certificates, provided the Board receives the indemnity referenced in Section 5.15.5. To the extent the Board on a non-discriminatory basis determines that it is reasonably necessary, the Unit Owner undertaking the Unit Work shall reimburse the Board, within thirty (30) days of receipt of Notice of such expenses, for all reasonable fees and expenses incurred by the Board in connection with necessary and reasonable inspections of the Unit Work to determine whether the same are being or have been performed in accordance with the approved plans and specifications therefor and all requirements of (i) Law; (ii) insurance carriers providing insurance coverage pursuant to Section 5.2.1; (iii) the Declaration; and (iv) these By-Laws (including, with respect to Unit Work which may affect the Building structure, systems or exterior, the fees and expenses of any Architect employed for such purpose). Any costs of the Board associated with the Unit Work including, but not limited to, the costs set forth above, shall be deemed "Related Costs."

5.15.1.3 All Unit Work shall be completed with reasonable diligence and designed and undertaken in such manner as not to unreasonably interfere with, delay or impose any expense upon the Board or the other Unit Owner in the construction, cleaning, safety, management, performance of Work, security, or operation of the Building, or any part thereof, and so as not to unreasonably interfere with, or cause unreasonable interruption of, the operation and Maintenance of the Building, or any part thereof, or cause unreasonable annoyance to, or unreasonable interference with, the use and occupancy of the Building and the other Unit by the Permitted Users.

5.15.2 Notice Work. No Unit Work (x) involving any structural Alterations or (y) impacting any Building System or other Common Element (collectively, "Notice Work") shall be commenced by or on behalf of a Unit Owner ("Performing Unit Owner") until the Board shall have been furnished with: (i) certificates of insurance evidencing that the insurance required in connection with the Unit Work under Section 5.2 has been obtained and is in full force and effect, along with reasonably satisfactory evidence of payment of premiums therefor, indicating that the insurance coverage then required by the Board to be carried during the making of any Unit Work

is in effect; (ii) a certification (in form and content reasonably satisfactory to the Board) of a New York licensed structural engineer and/or mechanical engineer, as applicable, having at least ten (10) years' experience involving similar structures in the Borough of Brooklyn, stating in the case of structural Alterations that such Notice Work will not adversely impact the structural integrity of the Building or result in the inability to add additional floors to the height of the Building, and in the case of Work impacting a Building System or other Common Element, that such Notice Work will not adversely impact the functioning of the Building Systems or the operation of the Building. For purposes of this Section 5.15.2, "structural integrity" shall include, without limitation, the weight bearing load of all structural columns, beams, and members of the Building, the engineering of the Building as it exists on the Declaration Date and all other matters relating to the structure of the Building; (iii) in the case of Notice Work involving noise, odor or vibrations, a certification of the Architect for the Notice Work (or such other consultant reasonably acceptable to the Board) stating that such Notice Work will be performed in a commercially reasonable manner so as to minimize such noise, odor or vibrations (taking into account the fact that portions of the Building will be occupied by the Existing Tenant pursuant to the Existing Lease); and (iv) all necessary permits, authorizations, approvals and certificates from any Governmental Authority required for the commencement and prosecution of the Unit Work have been obtained (subparagraphs (i) through (iv) collectively, "Notice Work Conditions").

5.15.2.1 Except in case of an Emergency (in which event the Performing Unit Owner must use commercially reasonable efforts to notify the Board and the other Unit Owners as soon as possible, including by e-mail or telephone), a Performing Unit Owner shall not commence Notice Work or any material modification to previously approved Notice Work unless (i) the Performing Unit Owner has given at least ten (10) Business Days prior written notice to the other Unit Owners and the Board ("Work Notice Recipients") of its intent to perform the Notice Work ("Work Notice") which Work Notice shall include a set of plans of the Notice Work and a copy of the application for the building permit for the Notice Work and (ii) the Performing Unit Owner has (x) not received written objection thereto from any of the Work Notice Recipients pursuant to Section 5.15.2.2 hereof, (y) received consent from the Work Notice Recipients with respect to the Notice Work, or (z) received a written Arbitration determination in accordance with Section 5.15.2.2 hereof authorizing the Performing Unit Owner to perform the Notice Work (subsections (x)-(z) herein collectively resulting in "Authorized Notice Work").

5.15.2.2 The Work Notice Recipients, within ten (10) Business Days of receipt of a Work Notice, may submit a written objection to the proposed Notice Work to the Performing Unit Owner setting forth in detail, the basis for such objection. If such an objection is submitted and not resolved by the Performing Unit Owner and the Work Notice Recipients, the proposed Notice Work may only be performed if, prior to commencing such Notice Work, the matter is submitted to Arbitration for a determination of whether the Notice Work will satisfy the requirements of Section 5.15 including, without limitation, the Notice Work Conditions. The Work Notice Recipients shall only have the right to submit a written objection if the proposed Notice Work will have an Adverse Effect on a Unit Owner other than the Performing Unit Owner. Additionally, if the Notice Work is expressly permitted under the Condominium Documents or otherwise by written agreement between the Unit Owners, then an objection may only be made with respect to the means, methods, plans and specifications, and not the underlying concept, of such Notice Work and no condition shall be placed on such Notice Work that would make performance thereof impractical, except the Residential Board shall perform all Work to the Residential Section in compliance with the provisions of the Existing Lease and shall not violate any provision thereof without the prior written consent of the Retail Unit Owner. In the event the Work

Notice Recipients do not make a written objection to the Notice Work within the ten (10) Business Day period, the Work Notice Recipients will be deemed to have waived any objections and the Performing Unit Owner shall be authorized to perform the Notice Work, subject to compliance with these By-Laws, and all Laws in accordance with any requirements of any Governmental Authority.

5.15.2.3 To the extent that Notice Work involves unusual or excessive noise or vibrations that will affect the Retail Unit, and is not otherwise permitted under the Existing Leases, at the request of a Unit Owner and to the extent permitted by Law, shall be performed only during Overtime Hours, with the Unit Owner performing such Notice Work being responsible for the additional cost and expense for such Overtime Hours. All other Notice Work that involves unusual or excessive noise or vibrations may only be performed during hours and days (including Overtime Hours) reasonably designated by the Board, except in cases of Emergency or as otherwise required by Law, and all costs of performing such Notice Work (including costs of performing such Notice Work during Overtime Hours) shall be borne by the Unit Owner performing such Notice Work.

5.15.2.4 Any application to any department of The City of New York or to any other Governmental Authority having jurisdiction thereof for a permit to perform structural Alterations or Repairs in or to any Unit shall, if required by Law or such Governmental Authority, be executed by the Board, provided (i) that such structural Alterations or Repairs constitute Authorized Notice Work; (ii) that the Board shall not incur any liability, cost or expense in connection with such application or to any Unit Owner, contractor, subcontractor, materialman, or Architect on account of such Alterations or Repairs, or to any Person having any claim for injury to person or damage to property arising therefrom; and (3) the Unit Owner undertaking such structural Alterations or Repairs (or an entity reasonably acceptable to the Board) shall have executed and delivered to the Board the indemnity referenced in Section 5.15.5.

5.15.3 Neither the Board nor the Unit Owners (other than the Unit Owner performing any Work or causing the same to be made) shall incur any liability, cost or expense (i) in connection with the preparation, execution, or submission of the applications referred to in Section 5.15.2.4; (ii) to any contractor, subcontractor, materialman, or Architect on account of any Work performed or caused to be performed by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom.

5.15.4 Except as otherwise expressly provided in the Declaration or these By-Laws, all Maintenance, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (except for the General Common Elements located within the Unit or as otherwise provided in these By-Laws) shall be made by the owner of such Unit at such Unit Owner's sole cost and expense and (b) in or to the General Common Elements shall be made by the Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense. Notwithstanding any other provision of these By-Laws to the contrary:

5.15.4.1 In the event that any Maintenance or Repair to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Board, the entire cost thereof shall be charged to the Unit Owners as a Common Expense and allocated in accordance with each Unit Owner's percentage of Common Interest, except in all such cases to the extent such cost

is covered by the proceeds of any insurance maintained pursuant to the provisions of these By-Laws.

5.15.4.2 The public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the Operating Standard, by (a) the Board with respect to the General Common Elements, and (b) each Unit Owner with respect to its Unit.

5.15.5 Upon request of a Unit Owner, the Board shall execute (i) any declaration or other instrument affecting such Unit Owner's Unit which the Unit Owner deems necessary or appropriate to comply with any Law, applicable to the Maintenance, Alteration or Repair of such Unit and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration or these By-Laws, and (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unit which the Unit Owner deems necessary or appropriate and which would not have an Adverse Effect on another Unit Owner or otherwise violate the Declaration or these By-Laws; provided, in each such case the Board shall have received an indemnity in form and substance acceptable to the Board and from a creditworthy entity acceptable to the Board, in its reasonable discretion, indemnifying the Board from any and all liability and claims in connection with such instrument, declaration, easement, amendment or other document. All reasonable costs and expenses of the Board in connection with the foregoing shall be paid by the Unit Owner making such request.

5.15.6 No consent or approval by the Board or any other Unit Owner, if such consent or approval is required under any provision of the Declaration or these By-Laws (and no approval of any plans and specifications or other information submitted in connection with a request for consent, including the approval of any Signage, whether or not such approval is required of the Board or another Unit Owner) shall (i) be deemed an agreement by the Board or any other Unit Owner that such plans and specifications conform to Law or the requirements of any insurer insuring the Units or the General Common Elements; (ii) be deemed a waiver by the Board or such other Unit Owner of compliance by the Unit Owner performing the Work with Law or any such insurance requirements or any other any requirements under the Declaration and these By-Laws, (iii) impose any additional liability or obligation upon the Board or such other Unit Owner with respect to any Work performed in connection therewith, (iv) relieve the Unit Owner performing the Work from any Claims that the Board or another Unit Owner may have with respect to any Work performed in connection therewith or (v) constitute an assumption by the Board or such other Unit Owner of any liability for any Work to which the same relates, the accuracy, suitability or soundness of such plans and specifications or other information.

5.15.7 Upon a Subdivision in accordance with the provisions of the Declaration and these By Laws, a Subdivision Amendment may permit the Resultant Board to establish Rules and Regulations governing Work in the Resultant Units.

5.16 **Performance of Work in Common Elements.**

Except as otherwise expressly provided in these By-Laws, the Board shall be responsible for and shall operate and Maintain the General Common Elements and any appurtenances thereto (including the sidewalks and the public curbs appurtenant to the Property), including but not limited to, the public areas adjacent to the Building, in good order and repair in a manner consistent with the Operating Standard and subject to the rights of Existing Tenants in the Building, with the costs thereof allocated between the Unit Owners as set forth in Exhibit H to the Declaration. Whenever in the judgment of the Board, the General Common Elements require

Maintenance or Repair ("Common Element Work"), the Board shall proceed with the Common Element Work and shall assess all Unit Owners for the cost (including the Related Costs) thereof as a Common Expense as provided in Section 5.1 unless the necessity therefor was caused by a breach of the Condominium Documents by a Unit Owner, in which event the cost thereof shall be a Unit Expense payable with interest at the Default Rate by the Defaulting Unit Owner.

5.17 **Restrictions on Use of Units.**

5.17.1 In addition to the restrictions on use set forth in Article 9 of the Declaration, 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 Operating Standard and the terms contained in this Section 5.17 and in Section 5.19.

5.17.2 The Unit Owners shall not use or occupy the Units or the Building or any part thereof or permit the Units or the Building or any parts thereof and the Board shall not permit any part of the Building to be used or occupied for the use, storage, production or generation of Hazardous Materials in violation of Hazardous Materials Laws.

5.17.3 The Retail Unit Owner shall not use or permit the Retail Unit to be used as follows (collectively, the "Prohibited Use"): (1) an establishment which displays, sells, rents or offers for sale or rent any pornographic material; adult bookstore or facility selling or displaying pornographic books, literature, or videos (materials shall be considered "adult" or "pornographic" for such purpose if the same are not available for the sale or rental to children under 18 years old because they explicitly deal with or depict human sexuality) excluding any establishment for which the sale or rent of such products constitutes a de minimis space in such establishment (however, by way of illustration and not limitation, the sale of clothing, lingerie, high-end or similar items for stores meeting the Operating Standard such as Victoria's Secret, Abercrombie & Fitch and Aeropostale shall not violate this subsection), (2) any so-called head shop or other similar establishment which stocks, displays, sells, rents or offers for sale or rent any drug-related paraphernalia or merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug or other controlled substance, including, without limitation, any hashish pipe, water pipe, bong, cilium, pipe screens, rolling papers, rolling devices, coke spoons or roach clips, but pharmacy and/or drugstore chains such as Duane Reade, CVS, Walgreens, Rite Aid and other pharmacy chains with a widely known national and/or regional presence are not prohibited, (3) selling, leasing or displaying of new or used automobiles, trucks, trailers, or recreational vehicles, (4) automotive parts, lube and oil or repair shop, (5) bingo or similar games of chance, (6) check cashing store (except as is typical in connection with the operation of a bank or financial services institution), (7) church, mosque, temple or other place of religious worship or meeting hall, (8) dumping, disposing, incinerating or reducing of garbage (exclusive of dumpsters for temporary storage of garbage and any garbage compactors, in each case which are routinely emptied so as to minimize offensive odors), (9) any establishment manufacturing, assembling, displaying or selling fireworks, ammunition or explosives, (10) funeral home or mortuary, (11) a so-called "flea market," (12) any so-called gentleman's club featuring topless waitresses, nude dancing or private "one-on-one" booths or rooms, (13) illicit non-therapeutic massage parlor, (14) off-track betting parlor or other gambling facility, (15) circus, carnival or amusement park, or other similar entertainment facility, (16) pawn shop, (17) shooting gallery, (18) substance abuse rehabilitation or detoxification recovery center, or treatment center, welfare or mental health facility or similar agency, whether public or private, which provides services to clients on the premises of the Unit, (19) tattoo parlor, (20) an "Odd Job" or "Odd Lot" type discount store or as a so-called "99 cent store" or "dollar store" type discount store or as a "going out of business" type store (it being agreed Old Navy, DSW, Urban Outfitters, American

Eagle, and similar type stores are not prohibited under this clause (20)), (21) as a so-called "bodega" type store, (22) as an office, store, reading room, headquarters, center or other facility principally devoted or opposed to the promotion, advancement, representation, purpose or benefit of: (a) any political party, political movement or political candidate or (b) any religion, religious group or religious denomination, (23) as an arcade, (24) as a mall or mini-mall, (25) intentionally omitted, (26) intentionally omitted, (27) dry cleaning plant, central laundry or laundromat (but a drop-off dry cleaning store and/or an "organic" (non-chemical) process dry cleaner is permitted) (28) psychic, hypnotist, tarot card or palm reading business or similar establishment, (29) any business practicing satanic or cult ritualistic activities including so-called "devil worship," black magic or rites of passage involving self-mutilation or degradation, (30) use by an International Organization unless such International Organization waives its sovereign or diplomatic immunity in conformity with Article 30 of the Declaration, (31) use by employment agencies (except for executive placement firms, secretarial services placement firms, legal and other professional search firms) and other private employment agencies consistent with the Operating Standard, (32) any pre-school, kindergarten, elementary school or high school, (33) the operation of any legal services office or legal clinic, (34) intentionally omitted, (35) jewelry or similar exchange (e.g. a retail center with independent vendor booths), or (36) any operation which creates loud music or large or noisy events.

5.18 **Use of Common Elements.**

5.18.1 Common Elements may be used only for the furnishing of services and facilities and for the other uses for which they are reasonably suited.

5.19 **Other Provisions as to Use.**

5.19.1 All Laws, including without limitation, zoning ordinances, and all rules, regulations and requirements of any insurance rating bureau having jurisdiction over the Property or any portion thereof, shall be complied with at the full expense of the respective Unit Owners or the Board (in which event, such expense shall be paid by the Unit Owners as a Common Charge), whoever shall have the obligation to Maintain such part of the Property. Notwithstanding anything to the contrary set forth above, if the compliance required pursuant to this Section 5.19.1 is required solely because of the nature of the use, possession and management of or activities by one of the Unit Owners or its tenants, subtenants or invitees, then such Unit Owner shall be solely liable for the costs and expense of such compliance.

5.19.2 Intentionally omitted.

5.19.3 No Unit Owner shall do, suffer or permit to be done anything in its Unit, or in or to any Common Elements, which would: (1) impair the soundness or safety of the Building, or reduce the value thereof in any material respect, or materially impair any easement pertaining to the Property, (2) result in or materially threaten the cancellation of any insurance carried by the Board or any Unit Owner, (3) be noxious or offensive or an unreasonable interference with the peaceful possession and proper use of the other Unit, or otherwise constitute a nuisance; or (4) be in violation of any Laws or insurance requirements with respect to the insurance referred to in clause (2) above, or (5) be in violation of the certificate of occupancy for such Unit or the Building.

5.19.4 If any governmental license or permit (other than a certificate of occupancy or a license or permit applicable to the Building as a whole and required in order to render lawful the operation of the Building), shall be required for the proper and lawful conduct of any business in a Unit, it shall be the responsibility of the Unit Owner of such Unit to duly procure and thereafter

maintain such license or permit and submit the same to inspection by the Board. The Unit Owner shall at all times comply with the terms and conditions of each such license, permit, or certificate of occupancy.

5.19.5 No Unit Owner shall discharge or permit to be discharged any materials into waste lines, vents or flues of the Building which might reasonably be anticipated to cause damage thereto or any fumes, vapors, or odors into flues or vents or otherwise except in accordance with Law.

5.19.6 All machines and equipment of whatever kind or nature installed and/or used in a Unit shall not exceed the permissible floor or electrical loads for said Unit and shall be so equipped, installed, used and Maintained by the Unit Owner as to reasonably prevent the transmission of noise, vibration or electrical or other interference from such Unit to any other area of the Building. All radio, television, telecommunications or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and Governmental Authorities having jurisdiction and the Unit Owner alone shall be liable for any damage or injury caused by any such equipment in such Unit Owner's Unit.

5.19.7 Without the consent of the Board, no Unit Owner shall use or permit to be used the sidewalks or other space outside the Building (except as may be permitted under Existing Leases so long as such Existing Leases are in effect) for any solicitation, display, sale or similar undertaking (except for the installation and Maintenance of Signage as permitted under these By-Laws) and no Unit Owner shall use or permit to be used any loudspeaker or other sound system or advertising device which may be heard outside the Unit. No radio antennae, television aerials, satellite dishes, or similar devices shall be permitted to be attached to or hung from the Exterior Facade.

5.19.8 The Retail Unit Owner shall have the right to use the sidewalk or other areas adjacent to the Retail Unit for outdoor seating in compliance with all Law.

5.19.9 Except as specifically provided in these By-Laws, the sidewalks (excluding the sidewalk in front of the Retail Unit), entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building which are Common Elements shall not be obstructed or used for any purpose other than ingress to and egress from the Units, the street and other Common Elements.

5.19.10 Except as otherwise provided below, each Unit Owner shall be responsible for cleaning the interior and exterior of the windows appurtenant to its Unit at its sole cost and expense and shall cause such windows to be cleaned in a manner consistent with the Operating Standard. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned in violation of Law. Each Unit Owner shall indemnify the Board and the other Unit Owners and their respect agents and employees, for all Claims resulting from such violation of Law; except as may be caused by the gross negligence or willful misconduct of the other Unit Owner, or its employees, contractors or assigns or the Board, as applicable.

5.19.11 If at any time it is required by Law to place scaffolding over the sidewalks around the Property, such scaffolding shall to the full extent practicable and permitted under Law be erected in such a manner so as not to unreasonably obstruct the windows of the Retail Unit or access to the Building or visibility of any permitted Signage on the Exterior Façade.

All such scaffolding shall contain Signage naming any Unit Owner or its tenant, if any, whose Signage is blocked by such scaffolding. Any such Signage on scaffolding shall be in compliance with the Existing Lease, and all Law and the provisions of Section 5.20 of these By-Laws, and shall, to the extent reasonably practicable, be in approximately the form of the applicable Unit Owner's or tenant's existing Signage or such other form as the affected Unit Owner shall approve. The cost of scaffolding, including any Signage thereon, shall be a Common Expense allocated pursuant to Exhibit H, and shall be constructed, maintained, and removed at the direction of the Board. The Board or Condominium Managing Agent shall notify the Unit Owners at least thirty (30) days prior to erecting any scaffolding (except in cases of Emergency) and shall perform, or cause to be performed, the work for which such scaffolding is erected as expeditiously as possible under the circumstances in a commercially reasonable manner. In addition, and other than in the case of an Emergency or in connection with the performance of any Work required by Law or approved by the Retail Unit Owner and the Residential Board, the Board shall schedule Work for which scaffolding is required for periods other than during a Prime Retail Period. Notwithstanding anything contained in these By-Laws, if scaffolding is being erected solely for the benefit of one Unit Owner, such Unit Owner shall bear all costs incurred with respect to such scaffolding and any temporary Signage requested by a Unit Owner and permitted to be installed on or under such scaffolding.

5.19.12 Each Unit Owner will dispose of trash and other materials generated from its use of the Unit in accordance with Law.

5.20 **Signs.** All Signs shall satisfy the following criteria:

5.20.1 All Signs shall comply with the requirements of Sections 16.9 and 16.10 of the Declaration, as applicable.

5.20.2 No flashing or blinking Signs shall be visible from the outside of a Unit. No Unit Owner shall install, place or permit any lights, fixtures or decorations of any sort in any trees outside the Building without the consent of a Special Board Majority.

5.20.3 No posters, decals or promotional material or any other Sign or item shall be affixed to the interior or exterior of the windows or doors of a Unit other than Signs which specifically relate to such Unit Owner's business in the Unit, and are consistent with the Operating Standard.

5.20.4 No lighting shall be permitted for exterior or interior Signs that are not in compliance with Law, code and regulations, and with the provisions of these By-Laws and of the Declaration.

5.20.5 No neon Signs shall reflect into another Unit so as to be reasonably objectionable to the other Unit Owner. Any interior neon Signs visible from the street shall be consistent with the Operating Standard.

5.20.6 Anything contained in these By-Laws to the contrary notwithstanding, a Unit Owner shall not be permitted to install security gates on the exterior of any Unit.

5.20.7 All sign attachment devices, wiring, clips, transformers, lamps, tubes, and other mechanisms required for all Signs shall be concealed to the extent commercially reasonably possible.

5.21 **Water Charges and Sewer Rents.** Water and sewer services shall be supplied to and for all of the Units and the General Common Elements through one or more Building Systems by the City of New York or such other utility servicing the Units and the General Common Elements. Except to the extent Unit Owners are billed directly by the City of New York or such other utility, the Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered and shall allocate such costs among the Unit Owners based upon metered use.

5.22 **Gas.** Gas for the Building will be supplied by the utility company servicing the Units and separately metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for gas consumed or used in such Unit Owner's Unit (or portion thereof), directly to the utility company.

5.23 **Utilities Serving the General Common Elements.** Except as otherwise provided in this Article 5, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any Common Element shall be allocated amongst the Unit Owners in accordance with the allocations set forth on Exhibit H.

5.24 **Abatement and Enjoinment of Violations by Unit Owners.**

5.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law, or the breach of any provision of the Declaration, shall give the Board or any Unit Owner the right, in addition to such other rights set forth in these By-Laws, subject to the rights of a Recognized Mortgagee pursuant to Article 6, (i) to send Notice to the breaching Unit Owner including a request that such Unit Owner, and the Recognized Mortgagee of the breaching Unit Owner in accordance with Article 6, take specific steps to cure such breach ("Remedy Notice"), (ii) if the condition referenced in the Remedy Notice is not cured within ten (10) days of the receipt of the Remedy Notice, or if the condition is such that it cannot be cured within ten (10) days, such cure is not commenced within such time period and diligently prosecuted on a reasonable basis to completion, the Board may, upon ten (10) days additional Notice to the breaching Unit Owner, enter into any Unit or Common Element in which, or as to which such violation or breach exists and to summarily abate and remove, at the expense of the breaching Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of trespass, or (iii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach and to seek reimbursement for any costs or expenses incurred in connection therewith; provided, that in the event of an Emergency the Board shall not be required to send a Remedy Notice but may implement the terms of this Section immediately.

5.24.2 In the event a Remedy Notice is sent by either the Unit Owner or the Board, and (i) the violation or breach has an Adverse Effect on another Unit Owner, and (ii) the Board fails to take action pursuant to Section 5.24.1, then the adversely affected Unit Owner may take action to abate and enjoin such breach in accordance with the provisions, timeframes, and procedures set forth in subparagraphs (ii) and (iii) of Section 5.24.1. In the event of a Subdivision, the rights of an adversely affected Resultant Unit Owner under this Section 5.24.1 may only be exercised by the Resultant Board and not by any Resultant Unit Owner.

5.24.3 The rights of access granted to the Board and the Unit Owners under this Section 5.24 shall be in accordance with the provisions of Article 16 of the Declaration.

5.25 **Violations of Law.** If notice of a municipal or other violation of Law ("Violation") is

given or filed in respect of any portion of the Property as a result of the alleged or actual act of or failure to act by one Unit Owner or its tenants, subtenants, licensees, agents, contractors or subcontractors ("Violating Unit Owner") such Violation shall be removed by the Violating Unit Owner within thirty (30) days of receipt of notice of such Violation, provided, however, if the Violating Unit Owner has begun to diligently prosecute the removal of such Violation within such thirty (30) day period, such period shall be extended for such additional time as is reasonably necessary to remove the Violation for so long as the Violating Unit Owner continues diligently prosecuting such removal to completion, provided, however, such Violation does not in the Disinterested Member's reasonable opinion: (1) jeopardize the full force or effect of any certificate of occupancy issued for the Property or delay the issuance of any amendment thereto being applied for by any other Unit Owner, (2) have an Adverse Effect on another Unit Owner, (3) result in the imposition of a lien against the Property as a whole or another Unit Owner's Unit, (4) create civil or criminal liability for another Unit Owner or the Board, or (5) prevent another Unit Owner from obtaining any government permit, license, certificate, or sign-off, or otherwise interfere with such other Unit Owner's performance of any Unit Work. Any time a Violating Unit Owner is required under this Section 5.25 to remove a Violation, such Violating Unit Owner shall nevertheless not be required to remove the Violation if upon prior Notice to each Disinterested Board Member, and at the Violating Unit Owner's own expense, the Violating Unit Owner is contesting by appropriate legal or administrative proceedings or redress, promptly initiated and conducted in good faith and with due diligence, the validity or enforceability, in whole or in part, of the applicable Law giving rise to the Violation, provided and for so long as the following conditions are met: (i) such proceeding suspends as a matter of Law the obligation of the Violating Unit Owner to comply with any such Law, (ii) failure to comply with any such Law pending the contest will not invalidate or vitiate any insurance required under these By-Laws to be maintained with respect to the Property, in whole or in part, and will not, in the reasonable opinion of the other Unit Owners and/or the Disinterested Board Members, constitute a present danger to the Property, or any portion thereof, or to the persons using and entering upon the Property, (iii) neither the Property nor any part thereof or interest therein will in the reasonable opinion of a Disinterested Board Member be in danger of being sold, forfeited, confiscated, terminated, canceled or lost as a result of such contest by the Violating Unit Owner (whether by foreclosure of any mortgage thereon or otherwise), (iv) the Violating Unit Owner shall have furnished such security as may be required in the proceeding, or in the event that none is required, as may be reasonably required by a Disinterested Board Member to insure the payment by the Violating Unit Owner of all costs of compliance, fines and penalties, together with interest thereon, as may be incurred by the Violating Unit Owner in the event of a determination in such proceeding adverse to the Violating Unit Owner, (v) any other Unit Owner and the Board will not, in the reasonable opinion of a Disinterested Board Member, be subject to any civil or criminal liability as the result of such contest by the Violating Unit Owner, and (vi) such non-compliance does not otherwise have an Adverse Effect on other than the Violating Unit Owner. If any compliance with this Section 5.25 shall require any Repairs to, or which otherwise affect, the General Common Elements, such Repairs shall be performed by the Board pursuant to Section 5.16.

5.26 **Liens.** Each Unit Owner ("Liening Unit Owner") shall cause to be removed, by payment, bond or otherwise, within thirty (30) days after Notice of the filing thereof, any mechanics', materialmen's or any other like lien arising by reason of its acts or acts of its agents and contractors or for any Work or materials which it or its agents, contractors, tenants, subtenants or licensees has ordered and filed against the Property or the another Unit Owner's Unit. In the event the Liening Unit Owner fails to comply with the foregoing provisions of this Section, a Disinterested Board Member may give Notice to the Liening Unit Owner specifying the respect or respects of such noncompliance and if, upon the expiration of ten (10) days after the delivery of such Notice, the cure of any such noncompliance is still not proceeding diligently, then

such Disinterested Board Member, on behalf of the Board, may cause such compliance to occur by taking all appropriate steps necessary to defend against or remove such lien. The Board (or, if applicable, the Disinterested Board Member) shall be entitled to payment from the Liening Unit Owner as a Unit Expense for all costs and expenses (including reasonable attorneys' fees) paid or incurred by the Board or the Disinterested Board Member in defending against, removing or attempting to defend against or remove such lien and may use any security delivered to the Board for such purposes and for any other damages from the Liening Unit Owner's breach under this Section, with interest thereon at the Default Rate from the date such payment is due. NOTHING CONTAINED IN THIS SECTION OR OTHERWISE IN THE DECLARATION OR THESE BY-LAWS IS INTENDED TO GIVE OR CONFER OR SHALL BE DEEMED TO GIVE OR CONFER ANY BENEFITS, RIGHTS, PRIVILEGES, CLAIMS, ACTIONS OR REMEDIES TO ANY PERSON AS A THIRD PARTY BENEFICIARY UNDER ANY LAWS OR OTHERWISE AND (1) THE PERFORMANCE OF WORK ON ONLY ONE UNIT OWNER'S UNIT SHALL IN NO WAY BE DEEMED TO GIVE THE PARTY PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST ANY OTHER UNIT OWNER'S UNIT OR THE CONDOMINIUM AND (2) WORK PERFORMED UNDER A CONTRACT ENTERED INTO ONLY WITH A PARTICULAR UNIT OWNER SHALL IN NO WAY BE DEEMED TO GIVE THE PERSON PERFORMING SUCH WORK THE RIGHT TO ATTACH A LIEN AGAINST ANY OTHER UNIT OR AGAINST ANY OTHER UNIT OWNER'S INTEREST IN THE PROPERTY OR TO BENEFIT FROM ANY RIGHTS AFFORDED MECHANIC LIENORS PURSUANT TO THE CONDOMINIUM ACT.

ARTICLE 6

MORTGAGES

6.1 **Unit Owners' Rights.** Any Unit Owner shall have the right to mortgage, pledge, encumber, hypothecate or otherwise finance such Unit Owner's Unit without the consent of the Board or any other Unit Owner, subject to and in accordance with the terms of the Condominium Documents.

6.2 **Recognized Mortgagees.** A Unit Owner who mortgages or pledges its Unit or receives Notice of the assignment of such mortgage or pledge by the Recognized Mortgagee, shall notify the Board of the name and address of such mortgagee or the assignee. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Board of such satisfaction. The Board shall maintain or cause to be maintained such information in a readily accessible hardcopy or digital format. A "Recognized Mortgagee" shall mean any mortgagee including, without limitation, the Construction Lender, and a Permitted Mortgagee under the Residential By-Laws, holding a mortgage encumbering one or more Units or any lender providing mezzanine financing or preferred equity financing to one or more of the direct or indirect owners of a Unit Owner who is not an Affiliate of such Unit Owner, for which the Notice pursuant to the provisions of this Section 6.2 has been provided to the Board. The lien of the applicable mortgage or pledge is subordinate to the Declaration. The Recognized Mortgagee upon Notice to the Unit Owner and the Board shall have the right to assign its rights as Recognized Mortgagee to a servicer. Upon the request of any mortgagee who shall request the same, at the time of execution of a Recognized Mortgage or thereafter, the Board shall confirm to the holder thereof in writing that such mortgage or pledge, as applicable constitutes a "Recognized Mortgage" and is entitled to all of the rights and benefits of a Recognized Mortgagee and that such holder is a Recognized Mortgagee provided the criteria set forth above for Recognized Mortgage and Recognized Mortgagee are met. Notwithstanding the foregoing, the lien of any mortgage on a Unit or of any pledge on any direct or indirect ownership interest in a Unit Owner, as applicable, shall not be

deemed to be impaired in any respect in the event such mortgage or pledge, as applicable, shall not constitute a Recognized Mortgage.

6.3 **Notice of Default and Unpaid Common Charges.** The Board shall promptly notify, in writing, each Recognized Mortgagee of a Defaulting Unit Owner of (i) any default after Notice beyond all cure periods in the payment of Common Charges and/or Special Assessments, (ii) any other default after Notice and beyond all cure periods by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist and (iii) the commencement by the Board of any action or proceeding pursuant to Section 5.13.

6.4 **Performance by Recognized Mortgagees.** The Board shall accept, by any Recognized Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws and/or any Rules and Regulations adopted by the Board, with the same force and effect as though paid or performed by such Unit Owner. Any Recognized Mortgagee shall have a period of thirty (30) days more than the period of time given to its corresponding Unit Owner for remedying any default by a Unit Owner under the Declaration or these By-Laws or causing the same to be remedied and shall, within such period and otherwise as provided in these By-Laws, have the right, but not the obligation, to remedy such default, or cause action to remedy such default to be taken; provided, however, that if such default is not reasonably susceptible of being cured by a Recognized Mortgagee either within such thirty (30) day period or without obtaining possession of the Unit, the Recognized Mortgagee shall have such additional period of time as is reasonably necessary to obtain possession of the Unit and thereafter cure such default, provided the Recognized Mortgagee has commenced such cure and is diligently prosecuting such cure, within the aforesaid thirty (30) day period. The Board will not commence a proceeding to foreclose its lien against any Unit as a result of any Unit Owner's default until the expiration of the time period described in these By-Laws that is afforded to any Recognized Mortgagee to cure such default. Payment or performance of any obligation of a Unit Owner by a Recognized Mortgagee shall not give rise to any obligation on the part of the Recognized Mortgagee to so pay or perform in the future.

6.5 **Examination of Books.** Each Unit Owner and Recognized Mortgagee shall be permitted, upon reasonable Notice to the Board and Condominium Managing Agent, to examine the books of account of the Condominium at reasonable times on Business Days, but not more than once in any twelve (12) consecutive month period.

6.6 **Rights of Recognized Mortgagees.**

6.6.1 If a Recognized Mortgagee delivers to the Board, in the manner required by this Section, a Notice specifying the name and address of such Recognized Mortgagee, such Recognized Mortgagee shall be promptly provided with copies of all default notices pursuant to Section 6.3. Any Recognized Mortgagee as of the date of the recording of the Declaration shall be deemed to have properly delivered to the Unit Owners and the Board a Notice specifying its name and address. After receipt of such Notice from a Recognized Mortgagee, no Notice given under these By-Laws, shall be deemed to have been given unless and until a copy thereof shall have been so given to the Recognized Mortgagee.

6.6.2 Any insurance proceeds or Awards otherwise payable to a Unit Owner shall, upon Notice to the Board from a Recognized Mortgagee of such Unit Owner, be delivered instead to such Unit Owner's Recognized Mortgagee.

6.6.3 If a Unit Owner shall fail to appoint an arbitrator or otherwise fail to take any action as may be required or permitted under the Condominium Documents with respect to Arbitration within the time periods applicable thereto, such appointment or action as otherwise would have been permitted by that Unit Owner may be taken by its Recognized Mortgagee and such appointment and action shall be recognized in all respects by the other Unit Owner and the Board and any determination made in such Arbitration shall be binding on the applicable Unit Owner.

6.6.4 If more than one Recognized Mortgagee having a lien on a Unit exercises any of the rights afforded by Section 6.6, only that Recognized Mortgagee, to the exclusion of all other Recognized Mortgagees, whose Recognized Mortgage is most senior in lien with respect to such Unit shall be recognized by the other Unit Owner and the Board as having exercised such right, unless such Recognized Mortgagee has designated a Recognized Mortgagee whose Recognized Mortgage is junior in lien to exercise such right.

6.6.5 No amendment, modification, supplement, extension or assignment of a Recognized Mortgage shall affect the status of the holder thereof as a Recognized Mortgagee provided that in the case of an assignment, Notice of the name and address of the assignee is provided to the Board by the assigning holder.

6.6.6 If any amendment, modification or waiver to the Declaration or these By-Laws (i) adversely impairs or changes the priority of the lien held by a Recognized Mortgagee with respect to the Unit, or (ii) terminates the Condominium as provided under the Declaration or these By-Laws, such amendment, modification or waiver, as applicable, shall not be binding upon such Recognized Mortgagee without the prior written consent of the Recognized Mortgagee affected by such amendment, modification or waiver.

6.6.7 From time to time, within ten (10) Business Days after written request therefor from any Unit Owner or any Recognized Mortgagee, the Board shall deliver to the requesting party a written statement executed and acknowledged by the Board (i) stating that the Declaration and these By-Laws are then in full force and effect and have not been modified (or if modified, setting forth all modifications), (ii) setting forth the then annual Common Charges allocable to the Unit in question and the date to which such Common Charges have been paid, (iii) setting forth the amount of any other expenses payable to the Condominium with respect to the Unit in question, (iv) stating, to the best knowledge of the Board, whether the Unit Owner in question is in default under the Declaration or these By-Laws and, if such Unit Owner is in default, setting forth the specific nature of all such defaults, and (v) affirming other customary matters reasonably requested by any such Unit Owner or Recognized Mortgagee. The Board acknowledges that any statement delivered pursuant to this Section 6.6.7 may be relied upon by any Unit Owner, any institutional lender or any prospective institutional lender, purchaser or non-residential tenant of any Unit Owner.

6.6.8 Upon Notice to the Board in accordance with Section 6.6.2, the Board will give Notice to, and accept commitments and the performance of obligations on behalf of, the Recognized Mortgagee from the Recognized Mortgagee's loan servicing agent. The Board understands and acknowledges that upon a securitization of any loan or other financing evidenced by a Recognized Mortgage, the trustee for the securitization will transfer the responsibility of the servicing and general administration of the loan or other financing evidenced by a Recognized Mortgage to a subservicer or master servicer, and that, upon compliance with the preceding sentence of this Section 6.6.8, such subservicer or master servicer may act on behalf of the trustee with regard to the loan or other financing evidenced by a Recognized

Mortgage.

6.6.9 Each Recognized Mortgagee, while it holds a mortgage on a Unit shall have the right, from time to time, upon reasonable advance Notice to the Board and during reasonable times on Business Days, except in the event of an Emergency or as otherwise expressly set forth in the loan documents evidencing the loan made by the Recognized Mortgagee, to have access to and to inspect the General Common Elements in the company of a Member of the Board or in the company of the Condominium Managing Agent, for such portion of the Property, in the same manner and to the same extent as provided for access to and inspection of the Unit that is subject to the lien of the Recognized Mortgagee's Recognized Mortgage. Notwithstanding anything to the contrary set forth in these By-Laws, access to any Common Elements located within a Unit other than the Unit subject to the lien of the Recognized Mortgagee, shall only be permitted on no less than five (5) Business Days' advance Notice to the Board and the Condominium Managing Agent, and at such time as is reasonably convenient to the affected Unit Owner, which may be during Overtime Hours at the request of the affected Unit Owner, and shall be subject to reasonable security measures required by the affected Unit Owner with any costs thereof being borne by the Unit Owner whose Recognized Mortgagee is requesting access, including the cost, if any, related to Overtime Hours for which the requesting Unit Owner shall be responsible. Such access will only be permitted which does not materially or unreasonably interfere with the use of the affected Unit for its permitted purposes or with the normal conduct and use of the affected Unit by its tenants and occupants. No inspection of the General Common Elements located on the first Floor shall be permitted by the Recognized Mortgagee of another Unit Owner during the Prime Retail Period without the consent of the Unit Owner whose retail use will be affected thereby, which consent shall not be unreasonably withheld, conditioned or delayed if such inspection is a necessity and cannot be postponed.

ARTICLE 7

SELLING AND LEASING OF UNITS

7.1 **Selling and Leasing.** A Unit Owner may sell, lease, transfer, assign or sublease such Unit Owner's Unit at any time without limitation or restriction, subject to the provisions of this Article 7 and Section 6.1.

7.2 **No Severance of Ownership.** No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units.

7.3 **Payment of Assessments.** No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Unit unless and until the Unit Owner shall have paid in full to the Board all unpaid Common Charges, Special Assessments, and any other sums then due and outstanding under the Declaration, these By-Laws and the Rules and Regulations, theretofore imposed or assessed by the Board against such Unit, and until such Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Unit other than Recognized

Mortgages. However, where the payment of such unpaid sums is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing, provided the Board is paid the total amount due from the Unit Owner from the proceeds of the sale. This Section 7.3 shall not alter in any way a purchaser's or transferee's obligations under Section 5.10.2.

7.4 **Leasing of Units.**

7.4.1 Subject to Article 17 of the Declaration and the provisions of these By-Laws, a Unit Owner (including a Recognized Mortgagee who acquires title to the Unit through foreclosure or by deed or assignment in lieu of foreclosure or otherwise) may lease or sublease the Unit in whole or in part, without any Notice to or consent of the Board or the other Unit Owner but subject, in all events, to the provisions of the Condominium Documents. Any lease for all or part of a Unit shall be consistent with and shall be deemed to incorporate by reference these By-Laws (and any provision of such lease not so consistent shall be null and void).

7.4.2 The Board, at the request of any Unit Owner, will enter into a non-disturbance agreement substantially in the form set forth in Exhibit I to the Declaration (or such other similar form as the Board may adopt from time to time) ("Condominium Recognition and Non-Disturbance Agreement") with a Qualified Tenant under a Qualified Lease on the following terms and conditions:

7.4.2.1 Such Qualified Lease is an "arms-length" lease which expressly states it is subject and subordinate to the Declaration and By-Laws and does not otherwise violate the terms of the Declaration and these By-Laws;

7.4.2.2 The Qualified Tenant is not in default after Notice in the payment of rent or additional rent or in the performance or observance of any of the other terms, covenants, provisions or conditions of its Lease, both at the time of the request and at the time of execution by the Board of the Condominium Recognition and Non-Disturbance Agreement;

7.4.2.3 No default after Notice under the terms of the Declaration or these By-Laws by the requesting Unit Owner shall exist both at the time of the request and at the time of execution by the Board of the Condominium Recognition and Non-Disturbance Agreement; and

7.4.2.4 The Unit Owner requesting such Condominium Recognition and Non-Disturbance Agreement shall pay all reasonable costs and expenses of the Board in connection therewith.

7.4.2.5 For purposes of this Section 7.4, (i) the term "Qualified Tenant" shall mean a bona fide tenant of a Unit Owner under a Qualified Lease who is not an Affiliate of such Unit Owner and (ii) the term "Qualified Lease" shall mean: (a) with respect to the Retail Unit, a lease for a term of not less than five (5) years occupancy of the entire the Retail Unit and the tenant has a net worth equal to two (2) years of all sums due under the lease; and (b) with respect to the Residential Section, any tenant of the entire Residential Section.

7.4.3 The Condominium Recognition and Non-Disturbance Agreement shall be executed by the Disinterested Board Member, subject to the right of the Board to execute same

if the Disinterested Board Member has not executed and delivered the Condominium Recognition and Non-Disturbance Agreement within ten (10) Business Days after the initial request and has not, within such time, disputed the entitlement to such Condominium Recognition and Non-Disturbance Agreement.

7.4.4 The cost and expense of any service to be provided to a tenant which is in excess of the obligations of the Board and the Unit Owners as set forth in the Condominium Documents shall be paid for by the Unit Owner that is the landlord under the lease.

7.5 **Power of Attorney.** At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Board) for recording in the City Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 19 of the Declaration, in the form set forth as Exhibit J to the Declaration.

7.6 **Certificate of No Right of First Refusal**. The Disinterested Board Member(s), on behalf of the Board, shall provide a certificate of no right of first refusal at the request of a Unit Owner or a Recognized Mortgagee of a Unit.

7.7 **Notice to Board**. In the event of the sale, transfer, or conveyance of any Unit or Resultant Unit, the selling Unit Owner shall give Notice to the Board within ten (10) days of the consummation of such sale, transfer or conveyance with the name and address of the purchaser together with a copy of the deed to the Unit.

ARTICLE 8

CONDEMNATION

8.1 **Takings in General.** If the Board or any Unit Owner receives Notice that all or any part of the Property has been or is to be taken through the exercise of the power of eminent domain under Law ("Taking") or becomes aware of any actual or threatened commencement of any proceeding for the condemnation of all or any portion of the Property, the Board or Unit Owner, as applicable, shall so notify the other Unit Owner and the Board. The Board shall have the right to participate in the prosecution of the claims for the Award (as defined below) but the Board shall not compromise or settle the Award without the consent of a Special Board Majority. If such Taking is not of Substantially All the Property (as defined below in Section 8.4), then any Alteration required in connection with such Taking shall be performed with due diligence and in as timely a manner as practicable under the circumstances in accordance with the provisions of this Article. "Award" shall mean the award for damages or compensation payable on the basis of, or attributable to, a Taking, and, in the case of a Taking of less than Substantially All of the Property, shall include any award (or portion thereof) payable on the basis of any Alteration or Repair or other Work necessitated by the Taking, but not including any separate claim by any Unit Owner or their respective tenants for personal property, trade fixtures, moving or relocation costs. "Net Award" shall mean the Award less all reasonable fees and expenses incurred by the Unit Owners and the Board in collecting the Award.

8.2 **Immaterial or Temporary Taking.** In the event of an immaterial Taking (e.g., a Taking in connection with a street widening which does not affect the Building), the Net Award shall, following payment of any amounts required in connection with any Alteration or Repair in connection with such Taking, be disbursed to the Unit Owners, subject to the rights of any

Recognized Mortgagee with respect only to the portion of such balance payable to the Unit Owner whose Unit is encumbered by such Recognized Mortgage, in proportion to each Unit's respective percentage of Common Interest. In the event of a temporary Taking, the Net Award will be allocated to the Unit Owners based upon the portion of each Unit, as applicable, that is the subject of the Taking.

8.3 **Material Takings.** In the event of a material Taking that does not constitute a Taking of Substantially All of the Property, the Unit Owners shall cooperate to Repair the remainder of the Building in accordance with the applicable provisions of this Article 8.

8.4 **Taking of Substantially All of the Property.** In the event of a Taking of Substantially All of the Property, the Condominium shall be terminated and, subject to the rights, if any, of each Unit Owner to pursue a separate claim and retain all amounts received as a result of such claim, the Net Award shall be disbursed into a trust fund for the benefit of all Unit Owners allocated in proportion to each Unit's respective percentage of Common Interest and delivered to the Depositary for distribution to all Unit Owners and each Unit Owner's share of the Net Award shall thereafter be distributed by the Depositary to each Unit Owner based upon the relative fair market value of its respective Unit immediately prior to such Taking of Substantially All of the Property (it being agreed that nothing contained in Section 8.4 shall contravene the intention of all Unit Owners to distribute funds to each Unit Owner based upon relative fair market value immediately prior to such Taking). However, no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of the Net Award, based upon relative fair market value, all unpaid Common Charges, Special Assessments and Unit Expenses and all liens on such Unit Owner's Unit, in the order of priority of such liens. A Taking of "Substantially All of the Property" shall mean (i) such portion of the Property as, when so taken, would leave a balance of the Property that, due either to the area subject to the Taking in relation to the part or parts not so taken, would not, under economic conditions, zoning laws and building regulations then existing, readily accommodate a new or reconstructed building or buildings of a type and size generally similar to the Building existing at the date of Taking or (ii) a Taking of more than fifty percent (50%) of the square footage of the Building (exclusive of any tenant build outs and other similar improvements to the interior components of the Units), unless the Board agrees to Repair the Property as a result of such Taking in which event such Taking shall not be deemed to be a Taking of Substantially All of the Property. If the Unit Owners cannot agree as to the relative fair market value of the Units within ninety (90) days following the date of the Taking, any Unit Owner shall be entitled to commence an action in a court of competent jurisdiction in the City, County and State of New York, to resolve the issue of each Unit's fair market value. Pending the resolution of a dispute between the Unit Owners as to the fair market value of the Units, by Special Board Majority may direct the Depositary to distribute funds to the Unit Owners which are not the subject of dispute.

8.5 **Obligation to Repair.** Except to the limited extent provided in Section 8.4 above, the Unit Owners shall be obligated to Repair the Building to the extent required in connection with a Taking regardless of whether or not the Net Award is sufficient. Furthermore, each Unit Owner shall cooperate with the other Unit Owners and the Board in connection with any such Repairs to the Building. The Repairs shall be commenced and pursued to completion in as timely a manner as practicable.

8.6 **Repairs.** The plans and specifications for Repairs of the General Common Elements shall be prepared by the Architect in accordance with instructions by the Board. The Unit Owners shall each have the right to engage their own designated Architect for the preparation of plans and specifications for Repairs to the Unit Owner's Unit. In all cases, the plans and

specifications shall provide for the Repair of the remaining portion of the Building as close as commercially practicable to the Building as it existed prior to the Taking, except to the extent any changes in Law require otherwise or unless agreed to by Special Board Majority. The Board shall cause the Architect to furnish to each of the Unit Owners and the Board a set of the plans and specifications (and shop drawings upon request), which it has prepared or caused to be prepared for the General Common Elements. If, in connection with any Repair, the Residential Board or the Retail Unit Owner desires to make any material change in the Building, the consent of the other Unit Owners and, if applicable, any Governmental Authority, shall be required, which consent of the other Unit Owner shall not be unreasonably withheld, conditioned or delayed provided that such change is consistent with the Operating Standard, such change will not have an Adverse Effect on the other Unit Owner, and additional costs associated with such changes over and above those which would be incurred in connection with an "as is" Repair (including without limitation, any increase in Common Expenses as a result of such change) shall be borne as a Unit Expense by the Unit Owner requesting such change. During the course of the Repair, the Board shall maintain the Builder's Risk insurance required pursuant to Section 5.2.1.

8.7 **Determination of Costs.** To the extent the Unit Owners are required to Repair pursuant to this Article, each Unit Owner shall be responsible for its share of the costs of Repair of their own Unit. To the extent the Board is required to Repair pursuant to this Article 8, each Unit Owner shall be responsible for its proportionate share of the cost of such Repair, as determined by each Unit Owner's respective percentage of Common Interest. If the cost and expense of the Repair to the Building pursuant to this Article 8 shall exceed the amount of the Net Award, the excess cost and expense shall be borne by the Unit Owners based on their respective percentage of Common Interest.

To the extent the additional costs result from the acts or omissions of one of the Unit Owners or optional changes requested by a Unit Owner, such Unit Owner requesting the changes or causing the delays shall be solely responsible for payment of the additional costs. The Unit Owners shall share, subject to the terms of the immediately preceding sentence, any cost overruns resulting from Unavoidable Delays based on their respective Common Interests. The cost of any Repair of the structural supports in connection with a covered Taking shall be shared by the Unit Owners based on their respective Common Interests, to the extent that such cost is not satisfied out of the available Net Award.

8.8 **Excess Net Award.** Upon completion of the Repairs in accordance with the provisions of this Article 8 and full payment therefor and for all costs in connection therewith, any excess Net Award shall be distributed as follows:

8.8.1 If one of the Unit Owners failed to contribute to a deficiency in connection with the Repair, the amount of such deficiency, together with interest thereon at the Default Rate, shall be paid to the other Unit Owners to the extent advanced by them and the amount of such deficiency shall be deemed a Unit Expense, and

8.8.2 Any remaining balance shall be paid to the Unit Owners, subject to the rights of any Recognized Mortgagee or holder of a lien, in order of priority, with respect only to the portion of such balance payable to the Unit Owner whose Unit is encumbered by such Recognized Mortgage or lien, respectively, in proportion to each Unit's respective percentage of Common Interest.

8.9 **Costs Defined.** For purposes of this Article 8, Architects' fees, attorneys' fees (other than those arising from a dispute of the Parties) consultants' fees, title insurance premiums

and other similar costs and expenses relating to the Repair shall be included in the costs and expenses of any such Repair.

8.10 **Reallocation of Common Interest.** If, as a result of a Taking, the total square footage of one or more of the Units changes, the Parties shall promptly (x) adjust, as of the date of such Taking, the Unit Owner's Common Interest, in a manner consistent with the allocation of the Common Interest in existence immediately preceding such casualty or Taking and (y) prepare and record in the City Register's Office an amendment to the Declaration confirming such reallocation. If the Parties shall not agree on any of the matters referred to in the foregoing clauses (x) and (y) within ninety (90) days following completion of the reconstruction, any Party may submit such issue to Arbitration.

ARTICLE 9

RECORDS AND REPORTS

9.1 **Records.** The Board or the Condominium Managing Agent, if any, shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures which shall be available for inspection and copying by Unit Owner's from time to time on three (3) days' prior Notice.

9.2 **Reports.** Within four (4) months after the end of each fiscal year, an annual report of receipts and expenditures prepared and reviewed by an independent certified public accountant (the "Report") shall be submitted by the Board to all Unit Owners, and, if so requested, to any Recognized Mortgagee, as the case may be. The cost of such report shall be paid by the Unit Owners as a Common Expense. Either Unit Owner shall have the right to have access to the certified public accountant to review positions and ask questions.

9.3 **Availability of Documents.** Copies of the Declaration, these By-Laws, and any Rules and Regulations adopted by the Board and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and by Recognized Mortgagees and their respective authorized agents at reasonable times on Business Days.

ARTICLE 10

ARBITRATION

10.1 **General Procedure.** Any dispute between or among Unit Owners, Members of the Board, or a Unit Owner and the Board, arising under the Declaration, these By-Laws or the Rules and Regulations shall be resolved by arbitration, conducted in accordance with the provisions of this Article 10 ("Arbitration"), except for any disputes expressly excluded from Arbitration. Any dispute arising under the Condominium Documents shall be, in the case of any dispute relating to the Board or another Unit Owner's reasonableness of the grant or denial of consent, conducted in accordance with Joint Arbitration Mediation Services ("JAMS") Streamlined Arbitration Rules and Procedures in effect at that time (or, if JAMS is no longer in existence, then conducted in accordance with National Arbitration and Mediation ("NAM") Comprehensive Dispute Resolution Rules and Procedures, and if NAM is no longer in existence, then conducted in accordance with the Expedited Procedures of American Arbitration Association ("AAA") Commercial Arbitration

Rules in effect at that time). In any Arbitration, (A) no Party will have the right to object if the arbitrator so appointed was on the list submitted by JAMS and was not objected to within five (5) Business Days after such Party received such list, and (B) the first hearing shall be held within ten (10) Business Days after the appointment of the arbitrator. In all Arbitrations, (I) the decision of the arbitrator shall be conclusively binding on the Parties, (II) the Arbitration is intended to be the sole and exclusive dispute resolution mechanism of the Board and Unit Owners concerning disputes arising under the Condominium Documents that are to be resolved by Arbitration, and in no event will the Board or any Unit Owner have the right to bring any action at law or in equity or otherwise seek damages or any other relief with respect to such dispute, (III) all decisions of the Arbitration are to be enforced in a court of competent jurisdiction in the City, County and State of New York, (IV) the arbitrator will be bound by the provisions of this Article 10 and will not have the power to add to, subtract from or otherwise modify such provisions, and (V) the losing Party in such Arbitration, as determined by the arbitrator, shall pay the Arbitration costs charged by JAMS (or any successor organization) and/or the arbitrator and the actual and reasonable attorney's fees and disbursements of the prevailing Party (and if the arbitrator shall not determine that one Party is a prevailing Party and one Party is a losing Party, then each Party shall bear equally the Arbitration costs charged by JAMS (or any successor organization) and/or the arbitrator, and each shall bear its own attorneys' fees). Each disputing Unit Owner shall also bear the fees and expenses of its own counsel and expert witnesses. In any Arbitration, if the arbitrator shall find that a Party acted unreasonably in withholding or delaying a consent or approval, such consent or approval shall be deemed granted. Unit Owners and the Board agree to sign all documents and to do all other things necessary to submit to Arbitration any matter that either Party is expressly permitted under the Condominium Documents to submit to Arbitration and further agree to, and hereby do, waive any and all rights they or any of them may at any time have to revoke their agreement to submit such matters to Arbitration and to abide by the decision rendered in the Arbitration, and further agree that their failure to sign any document or do any other thing necessary to submit any such dispute to Arbitration shall not preclude Arbitration of such dispute, but rather, the arbitrator is empowered to arbitrate such dispute. For such period, if any, as this agreement to arbitrate is not legally binding or the arbitrator's award is not legally enforceable, the provisions of the Condominium Documents expressly permitting or requiring Arbitration shall be deemed deleted and the applicable matters or disputes to be determined by Arbitration shall, in lieu thereof, be subject to litigation.

10.2 **Agreement by Parties.** The Parties to any dispute required or permitted to be submitted to Arbitration may, by mutual agreement between them, vary any of the provisions of Section 10.1 with respect to the Arbitration of such dispute, or may agree to resolve their dispute in any other manner.

10.3 **Matters Not Subject to Arbitration.** Notwithstanding anything contained to the contrary in these By-Laws or the Declaration, the following matters are not subject to Arbitration in accordance with this Article 10, unless all Parties to the dispute agree in writing otherwise: (i) claims involving third parties, (ii) where the nature of the relief sought is equitable (i.e., injunctive relief or specific performance); (iii) defaults for failure to pay Common Charges, Special Assessments or Unit Expenses due (provided however, disputes regarding whether or not Common Charges, Special Assessments or Unit Expenses are properly charged or the amount thereof shall be subject to Arbitration); and (iv) disputes between Unit Owners as to the fair market value of the Units following a casualty, condemnation or termination of the Condominium.

ARTICLE 11

MISCELLANEOUS

11.1 **Waiver.** No provision contained in these By-Laws or any Rules and Regulations adopted by the Board 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.

11.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

11.3 **Certain References.**

11.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

11.3.2 The terms “herein,” “hereof” or “hereunder” or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

11.3.3 Unless otherwise stated, all references in these By-Laws to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

11.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any Person, Party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons, Parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided in these By-Laws, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

11.5 **Successors and Assigns.** Except as set forth in these By-Laws or in the Declaration to the contrary, the rights and/or obligations of the Unit Owners or their designees as set forth in these By-Laws shall inure to the benefit of and be binding upon any successor or assign of the Unit Owners or their designees.

11.6 **Damages.** Neither the Board nor the Unit Owners shall have any liability to the other for any loss of business or loss of profits or consequential, special, punitive or indirect damages other than liability for reasonable attorneys’ fees, expenses and court costs, where provided for in the Condominium Documents, and in the case of any Claims for such damages made by third parties against Persons covered by an indemnification obligation of the Board or a Unit Owner.

11.7 **CPI Adjustments.** Unless otherwise expressly provided in the Declaration or these By-Laws, any dollar amount described in the Declaration or these By-Laws as “adjusted for inflation” or “subject to adjustment for inflation” (or words of similar import) shall be adjusted every three (3) years on the anniversary of the Declaration Date to be the amount determined by multiplying such original amount by a fraction, the numerator of which shall be the Consumer

Price Index for the full calendar month immediately preceding the date of such adjustment, and the denominator of which shall be the Consumer Price Index for the calendar month in which the Declaration Date occurs. The "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor for New York, New York (or the smallest measured area including New York, New York), All Items (1982 84 = 100), or any successor index thereto, appropriately adjusted. If the Consumer Price Index ceases to be published, and there is no successor thereto, such other reasonably similar index as is designated by the Board shall be substituted for the Consumer Price Index. If the Consumer Price Index is not immediately available, payments to be calculated in accordance with such Index shall be made based on a reasonable estimate of such Index, and any deficiency shall be paid, and any overpayment credited, against the next installment of funds due, immediately after such Index is available.

11.8 **Consents; Requests for Actions.** Any time any Unit Owner, the Board, a Recognized Mortgagee or other party subject to the terms of these By-Laws, as applicable, gives any consent or approval requested to be given under these By-Laws, the other Unit Owners or the Board, as applicable, shall have the right to rely on such consent or approval and to presume that the party giving such consent or approval is authorized to give it and has obtained any and all approvals it may be required to obtain in connection with such consent or approval. Notwithstanding anything contained in these By-Laws to the contrary, any time the consent of or other action by a Recognized Mortgagee is required pursuant to the Condominium Documents, if there is more than one Recognized Mortgagee with respect to any Unit, then as to such Unit, such consent or action shall only be required from the Recognized Mortgagee whose Recognized Mortgage is most senior in lien with respect to such Unit, or any other Recognized Mortgagee with respect to such Unit designated from time to time (and until de-designated) by such first Recognized Mortgagee to give consent in place of the holder of the first Recognized Mortgagee. Any designation made pursuant to this Section 11.8 shall be effective within ten (10) days after Notice thereof is given to the Board and the Unit Owners. Notwithstanding the foregoing, all Recognized Mortgagees shall be entitled to receive all Notices to be given to a Recognized Mortgagee (unless the Recognized Mortgagee stipulates that it does not require such Notice). In all cases where the consent of a Recognized Mortgagee is required, such consent shall not be unreasonably withheld, conditioned or delayed. Except as otherwise expressly set forth in this Section 11.8 or elsewhere in these By-Laws, any time a consent or approval is required from or any action is required to be taken by a Unit Owner, the Board, a Recognized Mortgagee or any other party subject to the terms of these By-Laws under the terms of the Declaration or these By-Laws, and such party fails to respond to a request for such consent within fifteen (15) days after receipt thereof together with all documentation reasonably requested by such party to make such determination of whether or not to provide such consent, such consent or approval shall be deemed given provided that a second Notice requesting such approval or consent is given which specifies in bold capital letters in at least 12 point typeface print: "THIS IS A SECOND AND FINAL REQUEST FOR YOU TO CONSENT OR APPROVE THE ACTIONS DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. IF YOU FAIL TO CONSENT OR OBJECT TO SUCH ACTION WITHIN FIVE (5) BUSINESS DAYS AFTER THIS NOTICE IS GIVEN, YOUR CONSENT SHALL BE DEEMED GIVEN" and such party fails to respond to such second Notice within five (5) Business Days following the date such Notice is given. If any Unit Owner, the Board, a Recognized Mortgagee or any other party subject to the terms of these By-Laws fails or refuses to execute, acknowledge or deliver any instrument or to take any action that it is required to perform pursuant to the provisions of these By-Laws within the period specified in these By-Laws (or within fifteen (15) days after request if no period is specified) and after such party has received all supporting documentation reasonably requested by such party in order to

perform such action and a second request is given (which second request shall be accompanied by a copy of the original request and any supporting materials) which states in bold print: "THIS IS A SECOND AND FINAL REQUEST FOR YOU TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, DESCRIBED IN THE ENCLOSED PRIOR REQUEST THEREFOR, WHICH IS REQUIRED UNDER THE TERMS OF THE CONDOMINIUM DECLARATION AND/OR BY-LAWS. YOUR FAILURE TO EXECUTE, ACKNOWLEDGE AND/OR DELIVER THE DOCUMENTS, OR TO TAKE THE ACTIONS, AS THE CASE MAY BE, WITHIN FIVE (5) BUSINESS DAYS AFTER THE DATE THIS NOTICE IS GIVEN SHALL ENTITLE THE BOARD TO DO SO ON YOUR BEHALF" and if such party fails to respond to such second request by complying or disputing its obligation to do so within five (5) Business Days following the date such second request is given, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver any such instrument or take such action in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be. Any dispute with respect to the foregoing shall be subject to Arbitration, provided that the Person refusing to execute, acknowledge or deliver any such instrument or refusing to take any such action, expressly renders such refusal in writing (together with its rationale for such refusal) within the time period(s) provided in this Section 11.8.

11.9 **Unavoidable Delays.** Neither the Board nor any Unit Owner shall be deemed to be in default in the performance of any obligation created under or pursuant to the Declaration, these By-Laws, or the Rules and Regulations, other than an obligation requiring the payment of a sum of money, if and as long as non-performance of such non-monetary obligation shall be directly caused by an Unavoidable Delay.

11.10 **Emergency.** Whenever an Emergency exists that prevents a Party from providing any required prior Notice to the Board or another Unit Owner, Notice shall be given by such Party to the Board or another Unit Owner, as applicable, by telephone or email as soon as practicable under the circumstances following the taking of such action.

ARTICLE 12

AMENDMENT TO BY-LAWS

Article 20 of the Declaration is incorporated in this Article 12 in its entirety, and except as otherwise expressly set forth in these By-Laws, the provisions of Article 20 of the Declaration shall govern the amendment, modification, addition to and/or deletion of any provisions of these By-Laws.

ARTICLE 13

RULES AND REGULATIONS

13.1 **Adoption and Amendment.** The Board shall have the right to establish Rules and Regulations for the operation of the Building which shall be non-discriminatory as to any Unit or Unit Owner, and to amend, modify, add to, or delete any of the Rules and Regulations from time to time. Any conflict between the Rules and Regulations and the Declaration and By-Laws shall be resolved in favor of the Declaration and these By-Laws. No Rules and Regulations may be adopted, amended or modified which would have an Adverse Effect on a Unit Owner, without such Unit Owner's consent, in its sole discretion. Copies of the text of any Rules and Regulations,

and amendments, modifications, additions, or deletions thereto, shall be furnished to all Unit Owners not less than thirty (30) days prior to the effective date thereof.

EXHIBIT D-1

RESIDENTIAL BY-LAWS

OF

807 MANHATTAN AVENUE CONDOMINIUM
807 MANHATTAN AVENUE
BROOKLYN, NEW YORK 11222

RESIDENTIAL BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose*. The purpose of these Residential By-Laws is to set forth the rules and procedures concerning exclusively the conduct of the affairs of the Residential Section of the Condominium; the Condominium By-Laws annexed to the Declaration as Exhibit D detail the rules and procedures concerning the conduct of the affairs of the Condominium as a whole. The Residential Section, these Residential By-Laws and the Residential Rules and Regulations annexed hereto as Addendum I shall be subject to the provisions of the Declaration, the Condominium By-Laws and the Condominium Rules and Regulations; and as provided (and subject to any express provision to the contrary) therein, the rights of the Residential Unit Owners with respect to the Condominium, the Condominium Board and the other Unit Owners shall generally only be enforced by the Residential Board on behalf of the Residential Unit Owners, in the event of any inconsistency between the Declaration, the Condominium By-Laws and/or the Condominium Rules and Regulations, on the one hand, and these Residential By-Laws and/or the Residential Rules and Regulations, on the other hand, the Declaration the Condominium By-Laws and/or the Condominium Rules and Regulations, as the case may be, shall prevail, provided that the provisions of this sentence shall not be construed to expand the rights or limit the obligations or liabilities of the Residential Unit Owners or the Residential Board under these Residential By_-Laws and/or the Residential Rules and Regulations. Notwithstanding the foregoing, as between the Residential Board and the Residential Unit Owners these Residential By-Laws shall govern and control. An individual Residential Unit Owner shall have no standing to raise any inconsistency between the Declaration, the Condominium By-Laws and/or the Condominium Rules and Regulations, on the one hand, and these Residential By-Laws and/or the Residential Rules and Regulations, on the other hand.

Section 1.2 *Definition*. All capitalized terms used in these Residential By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in the Declaration, unless the context in which the same 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 aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of Residential By-Laws*. These Residential By-Laws pertain solely to the Residential Section and to the use and occupancy thereof.

Section 1.4 *Application of Residential By-Laws*. All present and future Residential Unit Owners, mortgagees, lessees, sublessees and occupants of Residential Units, and employees and guests of Residential Unit Owners, as well as all other Persons who may use the Residential Section, are and shall be subject to the Declaration, the Condominium By-Laws and the Rules and Regulations annexed thereto, these Residential By-Laws and the Residential Rules and Regulations annexed hereto, 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 Residential Unit shall constitute an agreement that the provisions of the Declaration, the Condominium By-Laws and Rules and Regulations annexed thereto, these Residential By-Laws and the Residential Rules and Regulations annexed hereto, 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 Residential Section*. The principal office of the Residential Section shall be located either within the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Residential Board.

ARTICLE 2

RESIDENTIAL BOARD

Section 2.1 *General.* As more particularly set forth in section 2.4, 2.5 and 2.6 hereof, the affairs of the Residential Section shall be governed by the Residential Board. In exercising its powers and performing its duties under these Residential By-Laws, the Residential Board shall act as, and shall be, the Agent of the Residential Unit Owners, subject to, and in accordance with, the terms of the Condominium Declaration, the Condominium By-Laws and these Residential By-Laws.

Section 2.2 *Status of the Residential Board*. Unless and until the Residential Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Residential Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Residential Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Residential Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable status of the State of New York. In either event, however, the Residential Board shall also have the status conferred upon it, under, or pursuant to, the terms of the Condominium Act. The terms "Law" as used in these Residential By-Laws shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, 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 which are applicable at the time in question.

Section 2.3 *Principal Office of the Residential Board*. The principal office of the Residential Board shall be located either within the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Residential Board.

Section 2.4 Powers and Duties of the Residential Board

(A) The Residential Board shall have all of the powers and duties necessary for, or to, the administration of the affairs of the Residential Section, provided, however, that the Residential Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration, the Condominium By-Laws or these Residential By-Laws, may not be delegated to the Residential Board by the Residential Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Residential Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Residential Common Elements and the Residential Limited Common Elements, including without limitations, as the Residential Board shall deem necessary or proper in

connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Residential Board or its designee, corporate or otherwise, and on behalf of the Residential Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Residential Board for use in connection with the ownership and operation of the Residential Section.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Residential Section, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Residential Section; (b) detailed books of account of the Residential Board; (c) other financial records, as well as other books of account of the Residential Section, as may be required to be kept pursuant to the terms of these Residential by-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these Residential By-Laws.

(iv) to adopt a budget for the Residential Section for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Residential 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 approve the amount and the means and methods of payment of, and collection of, the Residential Common Charges and Special Assessments to be levied against Residential Unit Owners and to remit to the Condominium Board the Residential Section's allocated share of the Common Charges.

(vi) to borrow money on behalf of the Residential Section in accordance with Section 339-jj of the Real Property when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and the Residential Limited Common Elements, provided, however, that (a) the affirmative consent of at least 66 2/3% of the Members of the Residential Board shall be required for the borrowing of any sum in excess of $100,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Residential Limited Common Elements, the affirmative consent of at least 66 2/3% in aggregate Residential Common Interest of all Residential Unit Owners, shall be required for the borrowing of any sum in excess of $100,000 in anyone 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 Residential Unit or its Appurtenant Interests without the consent of the owner of such Residential Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Residential Board pursuant to this subparagraph (vi) shall not be repaid by the Residential Board, any Residential Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Residential Unit owner's Residential Common Interest bears to the aggregate Residential Common Interests of all Residential Unit Owners, shall be entitled to obtain from the creditor a release of any judgement or other lien that the said creditor shall have filed, or shall have the right to file against such Residential Unit Owner's Unit.

Notwithstanding the foregoing, the borrowing of the money by the Residential Board on behalf of the Residential Section when required solely in order to meet the General Common Expenses allocated to the Residential Section by the Condominium Board as more fully set forth in Article 6 herein shall not require the consent of the Residential Unit Owners.

(vii) to open and maintain bank accounts on behalf of the Residential Section for the purpose, among other things, of depositing all funds received from the Residential Unit Owners, including without limitation, the portion of the General Common Expenses allocated to the Residential Section and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatories. The Condominium Board shall have a security interest and lien on that portion of such bank account in an amount not to exceed any outstanding General Common Expenses allocated to the Residential Section.

(viii) to use the Residential Common Charges and Special Assessments, collected from Residential Unit Owners, as well as all the other funds held by the Residential Board, or received in connection with the operation of the Residential Section, for the administration of the Residential Section, including, without limitation: (a) the payment of Residential Common Expense, (b) the making of restoration, additions, alterations and improvements to the Residential Common Elements and the Residential Common Elements and the Residential Limited Common Elements and (c) the payment of the General Common Charges to the Condominium Board.

(ix) to obtain insurance of the Residential Section, including the Residential Units, pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustments and settlements provided the loss is limited solely to the Residential Section.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacement of, the Residential Section 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 Residential By-Laws.

(xii) to obtain and keep in force fidelity bonds (or similar bonds or insurance), in amounts deemed appropriate by the Residential Board, for: (a) all Members of the Residential Board; (b) all officers and employees of the Residential Board and the Residential Section, and the premiums on all such fidelity bonds shall constitute a part of the Residential Common Expenses.

(xiii) to accept the surrender of any Residential Unit pursuant to the terms of paragraph (D) of Section 6.2 hereof, in the name of the Residential Board, (or, if required by Law, in the name of the Condominium Board as nominee for the Residential Board), or its designee corporate or otherwise, and on behalf of all Residential Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale, lease or assignment by their owners, in the name of the Residential Board (or, if required by Law, in the name of the Condominium Board as nominee for the Residential Board) or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Unit Owners.

(xv) to purchase Residential Units at foreclosure or other judicial sales, in the name of the Residential Board (or, if required by Law, in the name of the Condominium Board as nominees for the Residential Board) or its designee, corporate or otherwise and, on behalf of all Residential Unit Owners but only with the consent of a Majority of Residential Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Residential Units acquired by, and to sublease Residential Units leased by, the Residential Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, provided, however, that the Residential Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Residential Unit.

(xvii) to adopt and amend the Residential Rules and Regulations and to levy and authorize collection of fines against Residential Unit Owners for violations of the Residential Rules and Regulations and these Residential By-Laws (any such fines and fees shall be deemed to constitute Residential Common Charges payable by Residential Unit Owners of the Residential Unit against which they are levied).

(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 Residential Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that the certificate of incorporation and By-Laws of any such resulting corporation or the articles of organization and operating agreement of such resulting limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws, and the provisions of the Declaration, these Residential By-Laws and, to the extent applicable, the Condominium By-Laws, shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and By-Laws or articles of organization and operating agreement as applicable, and any such certificate, By-Laws, articles and agreement shall in all events be subject and subordinate in all respects to the Declaration, the Condominium By-Laws (to the extent same are applicable), and these Residential By-Laws.

(xx) to operate Corporations, limited liability companies, and/or other entities, to act as the designee of the Residential Board with respect to such matters as the Residential Board may determine, including, without limitation, in acquiring title to, or leasing of, Residential Units and in acquiring rights, titles and interest in real and personal property for use in connection with the operation of the Residential Section.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument solely affecting the Residential Section that the Residential Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition,

construction, alteration, repair, or restoration of the Residential Section and (b) any consent, covenant, restriction, easement, or declaration solely affecting the Residential Section that the Residential Board deems necessary or appropriate.

(xxii) to prepare, execute, acknowledge and record on behalf of all Residential Unit Owners, as their attorney in fact, coupled with an interest, a restatement of these Residential By-Laws, whenever, in the Residential Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Residential Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Residential units and to assess any costs incurred thereby as Residential Common Expenses.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Residential Board and/or a Residential Unit Owner or Residential Owners, as the case may be, against a guest and/or a Tenant of a Residential Unit Owner if such guest and/or Tenant does not conform to the Rules and Regulations annexed to the Condominium By-Laws and the Residential Rules and Regulations, annexed hereto as Addendum I, as such Residential Rules and Regulations may at any time from time to time, be modified, amended or added to in accordance with the terms of these Residential By-Laws. All costs in connection with the removal., of the guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Residential Unit Owner.

(xxv) to impose move-in fees and charges and transfer fees in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or its designee.

(xxvi) to (i) establish reasonable restrictions with respect to the sale and lease of Residential Units and (ii) implement reasonable fees in connection with the processing of sale and lease packages, which shall be payable by the Offering Residential Unit Owner.

(xxvii) to prepare, execute and administer Storage Bin Licenses and assignments thereof and to impose license fees and/or assessments in connection therewith, which shall constitute and may be collected as Common Charges.

(xxviii) to carry out any other duties imposed upon the Residential Board pursuant to the Declaration, the Condominium By-Laws and these Residential By-Laws.

(B) The Residential Board shall be responsible for carrying out the duties imposed upon under the Condominium Documents regardless of whether a Residential 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 Residential Board.*

(A) Notwithstanding anything to the contrary contained in these Residential By-Laws, so long as Sponsor shall continue to own any Residential Units, but in no event later than 5 years after the First Residential Unit Closing, the Residential Board may not, without Sponsor's

prior written consent (but subject in any event to any requirements of the Condominium Documents):

(i) make any addition, alteration, or improvement to the Residential Section, unless the same shall be required by Law;

(ii) assess any Residential Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees hired for the Residential Section from those described in the First Years Budget set forth in the Offering Plan;

(iv) enter into any service or maintenance contracts for work or otherwise provide services in excess of those described the First Year's Budget set forth in the Offering Plan, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Residential Unit Owners; or

(vi) lease or purchase a Residential Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying out of such action is necessary (end no other alternative is available) to enable the Residential Board to: (i) comply with Law; or (ii) remedy any notice of violation; (iii) remedy any work order of the Condominium's insurer; or (iv) comply with its obligations of the Residential Unit Owners) under the Condominium Documents or (iv) make any repair, replacement and/or installation which is necessary for the preservation or safety of the Building or the safety of its occupants.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Residential Board to perform, and deemed necessary or desirable to be performed by the Residential Board pursuant to these Residential By-Laws, the declaration or the Condominium By-Laws, shall be performed by the Residential Board or shall be performed on its behalf and at its direction by the agent, employees, or designees of the Residential Board.

(B) The Residential Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Residential Board, subject to both the exceptions and limitations as the Residential Board, may from time to time deem appropriate, during the intervals between the meetings of the Residential Board. In addition, the Residential Board may from time to time appoint, by duly adopted resolutions, such other committees as the Residential Board may deem appropriate to perform such duties and services as the Residential Board shall direct, each of which committee shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6.

(C) The Residential Board may employ a Managing Agent to serve at a compensation approved by the Residential Board and to perform such duties and services as the Residential Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Residential Board may delegate to the Managing Agent any of the powers granted to the Residential Board in these Residential By-Laws. No such delegation shall release the Residential Board from its obligations and liabilities under the Condominium Documents.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Residential Board, except to the extent permitted by Law.

(E) For convenience of operation of the Residential Section, the Residential Board may, with the consent of the Condominium Board or as otherwise provided for in the Declaration or By-Laws, designate the Condominium Board to act as its agent with respect to any matter the determination of which is entitled to be made by the Residential Board and, in connection with such designation, may execute, acknowledge and deliver any application, instrument or document, including without limitation, any power of attorney or indemnification from liability that such designated party may request.

(F) Any action or permitted to be taken pursuant to the provisions of these Residential By-Laws, the Condominium By-Laws or the Declaration or the Condominium By-Laws, be taken by the Residential Board (in accordance with the Condominium Declaration or Condominium By-Laws) in the name of the Condominium Board which shall, upon request, execute, acknowledge and deliver any and all such instrument, documents or applications specifically required by applicable law to be in the name of the Condominium Board (copies of which shall be provided to the Condominium Board shall, subject to the provisions of Section 2.20 of these Residential By-Laws, indemnify and hold harmless the Condominium Board from any expense or liability thereof or therefrom, and each Residential Unit Owner hereby releases the Condominium Board, from time and against all liabilities arising out of any action taken by the Residential Board pursuant to this Section 2.6F.

Section 2.7 *Number, Election and Qualification of Members.* Until the first annual meeting of the Residential Unit Owners held pursuant to the terms of Section 4.1 hereof, the Residential Board ("Residential Board") shall consists of 3 individuals, all of which are to be designated from time to time by Sponsor. From and after the first annual meeting of the Residential Unit Owners and for so long as the Sponsor continues to own at least 1 Unsold Residential Unit, the Residential Board shall consist of 5 individuals who shall be elected and/or designated in accordance with the terms of these Residential By-Laws by the Residential Unit Owners (including Sponsor) (collectively, the "Members"), Except for Members designated by Sponsor pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all Members of the Residential Board shall be either: (i) individual Residential Unit Owners or adult family members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. In addition, no individual may be elected to serve on the Residential Board, (nor may continue to serve on the Residential Board) if the Residential Board and/or the Condominium

Board has perfected a lien against such Residential Unit and the amount necessary to release such lien has not been paid at the time of such lien remains unpaid. In no event may more than one individual of a designated Residential Unit serve on the Residential Board or as an officer of the Residential Board at the same time during the term of office. In addition, two (2) of the Members of the Residential Board shall also serve as the representatives of the Residential Section on the Condominium Board, as provided in Section 4.13 hereof.

Section 2.8 *Term of Office of Members.* The term of office of the 3 Members of the Residential Board designated by the Sponsor prior to the first annual meeting of the Residential Unit Owners shall expire when the 5 individuals to be elected and/or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 5 individuals elected and qualified or designated, as the case may be, at the first annual meeting of the Residential Unit Owners pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Residential Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal of Resignation of Members.*

(A) Any Member of the Residential Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Residential Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any Member of the Residential Board who was designated as such by the Sponsor pursuant to the terms of Sections 2.7, 2.10 or 4.9 hereof, may be removed, without cause, only by the Sponsor. If any Member of the Residential Board who was designated by the Sponsor is removed, the successor shall also be designated by the Sponsor. Any Member of the Residential Board whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Residential Board may resign such Member's membership at any time by giving written notice thereof to the Residential Board. In addition, any Member of the Residential Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease. Any Member of the Residential Board who also serves on the Condominium Board and is removed for cause from the Condominium Board shall be deemed, ipso facto, to have been removed for cause from the Residential Board.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Residential Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Residential 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 Residential Board elected or designated by the Residential Unit Owners then in office. A special meeting of the Residential Board 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 fil such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Residential Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by the Sponsor shall be filled by an individual designated by the Sponsor.

(C) Each Member of the Residential Board who is elected thereto or designated as such to fil a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Residential Board for the remainder of the term of the Member replaced and until successor shall be elected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Residential Board.* The first Meeting of the Residential Board following each annual meeting of the Residential Unit Owners shall be held within 20 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Residential Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, facsimile, overnight courier or e-mail with electronic confirmation, not later than 5 business days prior to such date. At such meeting, the officers of the Residential Board shall be elected.

Section 2.12 *Regular Meeting of the Residential Board.* Regular meeting of the Residential Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of al regular meetings of the Residential Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 days prior to the day named for such meeting.

Section 2.13 *Special Meeting of the Residential Board.* The President may call a special meeting of the Residential Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 2 or more Members of the Residential Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail with electronic confirmation at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.*Any Member of the Residential Board 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 Residential Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Residential Board.* A quorum of the Residential Board is required to be present at a Residential Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Residential Board, attendance of a majority of all of the Members of the Residential Board will be required for any business relating to the Residential Section, the Residential Common Expenses, or all or a portion of the Residential Units.

In connection therewith, one or more Members of the Residential Board 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 Residential Board, there shall be less than a quorum present, a majority of the Members of

the Residential Board in attendance may adjourn the meeting from time to time. At any such adjournment meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Residential Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Residential Board 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 Residential Board, shall govern the conduct of the meeting of the Residential Board unless the same shall be in conflict with the terms of these Residential By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Residential Board.* Except as otherwise provided in the Declaration or these Residential By-Laws, the vote of a majority of the Members attending a duly constituted meeting of the Residential Board at which quorum is present shall decide all matters on behalf of the Residential Board.

Alternatively, any decision that is required or permitted to be made by the Residential Board may be made without a meeting thereof if all of the Members of the Residential Board 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 Residential Board.

Section 2.18 *Compensation of Members.* No Member of the Residential Board shall receive any compensation for acting as such.

Section 2.19. *Common or Interested Members of the Residential Board.* Each Member of the Residential Board shall perform all duties, and shall exercise powers, in good faith and with a view to the interests of the Residential Section. To the extent permitted by Law, no contract or other transaction between Residential Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, associates, or other entity in which any of the Members of the Residential Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Residential Board was present at the meeting or meetings of the Residential Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by the Residential Board or a majority of the Members thereof and noted in the minutes thereof, and the Residential Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Residential Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Residential Unit Owners, and a Majority of Residential Unit Owners shall authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 *Indemnification of Members and Officers.*

2.20-1.1 To the extent permitted by Law, the Members of the Residential Board shall have no personal liability with respect to any contract, act or omission of the Residential Board or of any managing agent or manager in connection with the affairs or operation of the Residential Section (except in their capabilities as Residential Unit Owners) and the liability to

any Residential Unit Owner with respect thereto shall be limited as set forth in Section 4.12 hereof. Every contract made by the Residential Board or by such Managing Agent or manager shall state that it is made by the Residential Board of the managing agent or manager, only as agent for all Residential Unit Owners and that the Members of the Residential Board or the managing agent or the manager shall have no personal liability thereto (except, with respect to Members of the Residential Board, in their capacities as Residential Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Residential Board. To the extent permitted by Law, the Members of the Residential Board shall have no liability to Residential Unit Owners except that a Member of the Residential Board shall be liable for such Member's own bad faith or willful misconduct. All Residential Unit Owners shall jointly and severally, to the extent of their respective interests in their Residential Units and their appurtenant Residential Common Interests, indemnify each Member of the Residential Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Residential Board may contract or effect any other transaction with any Member of the Residential Board, any Residential Unit Owner, the Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 *Neither the Residential Board nor any Member thereof shall be liable for either:*

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Residential Board or to be paid for as a Residential Common Expense except when such failure or interruption is cause by the acts of bad faith or willful misconduct of the Residential Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Residential Unit or the Residential Common Elements and either; (a) caused by the elements, by any Residential Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Residential Unit or any portion of the Residential Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Residential Section shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Residential Board. The Residential Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. Nothing herein shall preclude any officer of the Residential Section from also being an officer of the Condominium Board, or any officer of the Condominium Board from also being an officer of the Residential Section, if otherwise qualified under the terms of these Residential By-Laws and the Condominium By-Laws, as applicable. Unless prohibited by applicable Law, any two or more officers of the Residential Section may be held by the same person. All agreements, contracts, deeds, leases, checks and other instruments of the Residential Section shall be executed, upon the direction of the Residential Board, by any two officers of the Residential Section or by such lesser number of officers or by such other person or persons as may be designated from time to time by the Residential Board. In addition to the foregoing, the Residential Board may authorize the managing agent or manager serving on its behalf to execute checks, provided that all the expenditures, and the managing agent's or manager's paying for same, have been approved in

advance by resolution of the Residential Board or have been authorized by two officers of the Residential Section.

Section 3.2 *President.* The President of the Residential Section shall be the chief executive officer of the Residential Section and shall preside at all meeting of the Residential Unit Owners and of the Residential Board. The President shall have all of the general powers and duties that are incident to the office of President of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Residential Board from amongst the Residential Unit Owners from time to time as President may decide, in the President's direction, are appropriate to assist in the conduct of the affairs of the Residential Section.

Section 3.3 *Vice-President* The Vice-President of the Residential Section shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice-President are unable to act, the Residential Board shall appoint some other Member of the Residential Board to act in the place of the President on an interim basis. The Vice-President shall also perform such other duties as shall be imposed upon the Vice-President from time to time by the Residential Board or by the President.

Section 3.4 *Secretary.* The Secretary of the Residential Section shall keep the minutes of all meetings of the Residential Unit Owners and of the Residential Board. The Secretary shall have charge of such books and papers as the Residential Board shall direct and, in general, shall perform all of the duties that are incident to the office of the Secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer of the Residential Section shall have the care and custody of the funds and securities of the Residential Section 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 Residential Board or in the name of the managing agent in such depositories as may from time to time is designated by the Residential Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Residential Section shall be elected annually by a majority vote of all Members of the Residential Board taken at the organizational meeting thereof and at any other meetings as may be required to fill a vacancy thereof, and shall serve at the pleasure of the Residential Board. The President, Vice-President, and the Treasurer shall be elected from amongst *the* Members of the Residential Board. Such officers need not be Resident Unit Owners and need not be any interest in the Residential Section if they are designated by Sponsor. Such officers must be Residential Unit Owners if they are elected by the other Residential Unit Owners. The other officers of the Residential Board need not be Residential Unit Owners and need not have any interest in the Residential Section.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Residential Section may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Residential Board. Any officer who was designated by Sponsor, may be removed, without cause, only by Sponsor. If any officer who was designated by Sponsor is

removed, the successor shall also be designated by Sponsor. In addition, any officer may resign at any time by giving written notice to the Residential Board. Finally, if the President, Vice-President, or the Treasurer of the Residential Section shall cease to be or shall be suspended as a Member of the Residential Board during their term of office, such officer shall be deemed to have resigned office effective upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Members of the Residential Board at any regular meeting of the Residential Board or at a special meeting thereof called for such purpose,

Section 3.9 *Compensation of Officers.* No officer of the Residential Board shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers* Each officer shall be indemnified as set forth in Section 2.20.

ARTICLE 4

RESIDENTIAL UNIT OWNERS

Section 4.1 *Annual Meetings of the Residential Unit Owners.* The first annual meeting of the Residential Unit Owners shall be held approximately within one (1) year after the First Closing under the Offering Plan. Sponsor shall have voting control over the Residential Board until, but no later than, thirty (30) days after the Closing of Title with Purchasers under the Plan to all Residential Units offered for sale ("Sponsor Initial Control Period"). At such meeting, a 5 Member Residential Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Residential Unit Owners shall be held on or about the anniversary date of the first annual meeting of the Residential Unit Owners. At each such subsequent meeting, the Residential Unit Owners (including the Sponsor) shall elect successors to the Members of the Residential Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting. During the Sponsor Initial Control Period, at all elections of the Residential Board, Sponsor shall have the right to designate a majority (three (3) of five (5)) of the members of the Residential Board and shall have voting control. Sponsor shall also have the right to cast its votes for non-Sponsor-related nominees to the Residential Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Residential Board, and will determine the Residential Common Charges to be paid by all Residential Unit Owners. **SPONSOR MAY CONTROL THE BOARD INDEFINTIELY AND NON-SPONSOR AFFILIATED UNIT OWNERS MAY NEVER GAIN CONTROL OF THE BOARD.** Notwithstanding Sponsor's control of the Residential Board during the Sponsor Initial Control Period, members of the Board owe a fiduciary duty to **all** Unit Owners. If there are non-Sponsor affiliated members of the Residential Board and the issue of whether to sue Sponsor is raised, the Sponsor-related members of the Residential Board cannot lawfully vote on such an issue.

Section 4.2 *Special Meetings of the Residential Unit Owners.* The President shall call a special meeting of the Residential Unit Owners whenever so directed by a duly adopted resolution of the Residential Board or upon receipt by the Secretary of a petition calling for such a meeting signed by the Residential Unit Owners having, in the aggregate, not less than 50.01% of the Residential Common Interest. 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 reasonable related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Residential Unit Owners shall be held at the principal office of the Residential Section or at such other suitable and convenient place in the Borough of Manhattan as may be designated by the Residential Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Residential Section shall give notice of each annual or special meeting of the Residential Unit Owners to all Residential Unit Owners then of record entitled to vote a such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Residential Unit Owner by personal delivery, mail, or telegram addressed to the Residential Unit Owner's address at the Property, no less than 10 or more than 40 days prior to the day fixed for the meeting. Any Residential Unit Owner may designate an address for the giving of notice other than such Residential Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Residential Section not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Residential Unit Owners shall include the consideration of a proposed amendment to the Declaration, these Residential By-Laws, or the Condominium By-Laws, the notice of such meeting shall be mailed to all Residential 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 Residential Unit Owners.* Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Residential Unit Owners owning Residential Units to which more than 50% of the aggregate Residential Common Interest shall constitute a quorum at all meetings of the Residential Unit Owners. If, at any meeting of the Residential Unit Owners, there shall be less than a quorum present, a majority of the Residential 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 Residential Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Residential 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 Residential Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Residential Unit Owners, unless the same shall be in conflict with the terms of theses Residential By-Laws or the Condominium Act. All votes of the Residential Unit Owners shall be tallied by the persons appointed by the President officer of the meeting.

Section 4.7 *Order of Business.* The order of business at al regular meetings of the Residential Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Residential Section;

(E) Reports of Members of the Residential Board;

(F) Reports of committees;

(G) Election of inspectors of election (when so required);

(H) Election of Members of the Residential Board (when so required);

(I) Unfinished business and;

(J) New business.

The order of business at meetings of Residential Unit Owners can be adjusted in the sole discretion of the Residential Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Sections 4.1 and 4.9 hereof, each Residential Unit Owner (including the Sponsor for so long as the Sponsor shall own any Unsold Residential Unit) shall be entitled to cast 1 vote at all meetings of the Residential Unit Owners for each .0001% attributable to such Residential Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Residential Unit Owners may vote at any meeting of the Residential Unit Owners if the Condominium Board (only as specifically permitted herein) or Residential Board has perfected a lien against such Residential Unit Owner's Unit and the amount necessary to relate such lien has not been paid at the time of such meeting. In addition, neither the Residential Board nor any designee thereof shall be entitled to vote the Residential Common Interest appurtenant to any Residential Unit owned by the Residential Board or such designee. The Residential Common Interests of all Residential Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing all aggregate Residential Common Interests of all Residential Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Residential Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Residential Unit, they shall designate 1 Person amongst them to vote the Residential Common Interest appurtenant to their Residential Unit in a writing give to the Secretary to the Residential Section, and the vote of such designee shall be binding upon all of such persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of al such Persons shall be conclusively presumed if any one of them purports to vote such Percentage Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Residential Common Interest appurtenant to such Residential Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of the Residential Unit may designate any person to act as a proxy on such Residential Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator 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 Residential Section; however, no revocation of such 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 Residential Section or, if such revocation is made at a meeting of the Residential Unit Owners during which the Secretary of the Residential Section 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 a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Residential Board.*

(A) When voting for Members of the Residential Board, each Residential Unit Owner (including the Sponsor for so long as the Sponsor shall own any Unsold Residential Unit(s) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Residential Unit(s) per Member to be elected. However, nothing contained herein shall be deemed either to permit any Residential Unit Owner to cumulate the votes attributable to the ownership of a Residential Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Members of the Residential Board.

(B) All elections of Members of the Residential Board shall be by written ballot, and each ballot cast shall state. (i) the name of the voting Residential Unit Owner and, if such ballot is cast by proxy, the name of the proxy, (ii) the designation number(s) of the Residential Unit(s) owned by the voting Residential Unit Owner; (ii) the Common Interest appurtenant to such Residential 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 (B) shall not be counted. All election ballots shall be retained in the records of the Residential Section, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Residential Board shall be determined by plurality vote of the Residential Unit owners present, in person or by proxy, at a duly converted meeting.

(D) At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. However, at elections of Members to the Residential Board held during the Sponsor Initial Control Period, Sponsor shall have the right to designate 3 Members to the Residential Board (of which 2 such Members shall also be appointed by Sponsor as members of the Condominium Board).

During the Sponsor Initial Control Period, and for so longs as Sponsor continues to own at least 1 Unsold Residential Unit, Sponsor shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Members of the Residential Board. There is no restriction on the right of Sponsor to vote for Members of the Residential Board who are unrelated to or unaffiliated with Sponsor.

(E) Within 30 days after the Sponsor Initial Control Period, all Members of the Residential Board who were designated by Sponsor shall resign and their replacements shall be filled by a vote of the Residential Unit Owners at a special meeting called for such purpose.

Section 4.10 *Action Without a Meeting.* Any action required or permitted to be taken by the Residential Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Residential Owners sufficient (both in absolute number and aggregate Common Interests whenever applicable) to approve such action at a duly constituted meeting of the Residential Unit Owners pursuant to the Declaration or to these Residential By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Residential Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Residential Section together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Residential Units.* Except as otherwise set forth in the Declaration or the Condominium By-Laws, title to any Residential 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. The sale of a Residential Unit to a corporation, partnership, limited partnership, trust or any other entity shall require the delivery to the Residential Board or its managing agent at closing any and all documents as are reasonably requested by the Residential Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement. Any action required or permitted to be taken pursuant to the provisions of these Residential By-Laws, the Condominium By-Laws or the Declaration by the Resident Board may, if required by any applicable Law, be taken by the Residential Board (upon prior written notice of the Condominium Board in accordance with the Condominium By-Laws) in the name of the Condominium Board which shall, upon request, execute, acknowledge and deliver any and all instruments, documents or applications in connection therewith; provided, however, that the Residential Board shall, subject to the provisions of Section 2.20 of these Residential By-Laws, indemnify and hold harmless the Condominium Board and Sponsor from any expense or liability thereof or therefrom.

Section 4.12 *Contractual Liability of Residential Unit Owners.* Every contract made by the Residential Board, by any officer of the Residential Section shall state (if obtainable and in addition to the limitation of liability of the Members of the Residential Board and the officers of the Residential Section pursuant to the terms of Section 2.20 and 3.10 hereof, respectively) that the liability of any Residential Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Residential Unit Owner bears to the aggregate Residential Common Interest of all Residential Unit Owners in the case of a contract relating to the Residential Section, and (ii) such Residential Unit Owner's interest in the Residential Unit and its Appurtenant Interests, unless otherwise provided by Law.

Section 4.13 *Representation on the Condominium Board.* Two members of the Residential Board shall also serve as members of the Condominium Board and shall be entitled to vote at any meeting(s) of the Condominium Board in accordance with the terms and the provisions of the Condominium By-Laws. During the Sponsor Initial Control Period, such 2 members shall be designated by Sponsor. Subsequent to the Sponsor Initial Control Period, such 2 members shall be appointed by a Majority Vote of the Residential Board.

ARTICLE 5

OPERATION OF THE RESIDENTIAL SECTION

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration, these Residential By-Laws or in the Condominium By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Residential Unit and all portions thereto (including, but not limited to, the interior walls, partitions, ceilings and floors in the Residential Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Residential Unit (including HVAC filters and parts), window panes, fireplace and flue, all entrance doors and Terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air condition units, condensers located on the roof of the Residential Section servicing an individual Residential Unit, lighting and electrical fixtures and any Residential Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Residential Common Elements contained therein) shall be performed by the owner of such Residential Unit at such Residential Unit Owner's sole cost and expense; and

(ii) in or to the Residential Common Elements, shall be performed by the Residential Board and the cost and expenses thereof shall be charged to all Residential Unit Owners as a Residential Common Expense, provided, however that maintenance, repairs and replacements in and to the condensers located on the roof of the Residential Section servicing an individual Residential Unit shall be performed by and at the expense of the owner of such Residential Unit;

(iii) in or to the Residential Limited Common Elements shall be performed (a) by the Residential Board as a Residential Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements, (including without limitation, the removal of snow, ice and accumulation of water on any Terrace and all maintenance, repair and replacement of any planters, paintings, barbecue grills and hot tubs on any Terrace).

Promptly upon obtaining knowledge thereof, each Residential Unit Owner shall report to the Residential Board or to the Managing Agent any defect or need for repairs for which the Residential Board 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 Residential Unit Owner or the Residential Unit Owner or the Residential Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Residential Unit Owners or the tenants and occupants of any Residential Units. Notwithstanding anything to the contrary contained herein, the Residential Board shall not be required to repair or replace, or cause to be repaired or replaced, equipment, fixtures, furniture, flooring, furnishings, wall coverings, decorations or any other are or surface installed or altered from the original construction by a Residential Unit Owners or any of the Residential Unit Owner's

predecessors in title, nor shall the Residential Board be obligated to repaint or replace wallpaper, wall coverings or other decorations in the Unit or to replace or to finish floors located therein.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Residential Section or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Residential Unit Owner, the entire cost and expense thereof shall be borne by such Residential Unit Owner, or (ii) the Residential Board, the entire cost and expense thereof shall be borne by the Residential Section as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Residential Limited Common Elements, 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 Residential By-Laws. Similarly, each Residential Unit Owner shall be responsible for any and all damage to any Residential Unit or to the Common Elements resulting from such Residential Unit Owner's failure to maintain, repair, or replace the Residential Unit or any portion thereof as required herein.

(C) Each Residential Unit and all portions of the Residential Common Elements and/or the Residential Limited 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 Residential Common Elements and/or Residential Limited Common Elements exposed to the elements) by the Residential Unit Owner or the Residential Board, whichever is responsible for the maintenance thereof, as set forth herein, and such Residential Unit Owner or the Residential Board, as the case may be, shall promptly make or perform, or cause to be made or performed, al maintenance work, including without limitation, painting, repairs and replacements that is necessary in connection therewith. The maintenance and repair of the portion of the sidewalk immediately in front of the Residential Section (including, cleaning and snow and ice removal) shall be performed by the Residential Board as a Residential Common Expense. The exterior and interior glass surfaces of al windows located in any Residential Unit shall not be colored or painted by the Residential Unit Owner. Al exterior and interior glass surfaces of windows located in any Residential Unit, and Terrace doors, shall be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof, each at the sole cost and expense of the Residential Unit Owner (unless such breakage is cause by the Residential Board, the Condominium Board or any other Residential Unit Owner, in which event such replacement of glass window will be at the sole cost and expense of the Residential Board, the Condominium Board or such Residential Unit Owner, as applicable). Notwithstanding the foregoing, prior to the replacement of any glass window the Residential Unit Owner must obtain the prior written approval of the Residential Board, with respect to the type of replacement windows installed. In addition, the public areas of the Residential Section and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Residential Section, as determined by the Residential Board in its sole discretion, by (i) the Residential Board, with respect to such parts of the Residential Section required to be maintained by it, and (ii) each Residential Unit Owner, with respect to the interior surfaces of windows and shades, venetian blinds, drapes, curtains or other window decorations in or appurtenant to such Residential Unit Owner's Residential Unit. To promote a consistent appearance of the Residential Section from the outside, (x) no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in any manner, without the prior written approval of the Residential Board; and (y) all window treatments in a Residential Unit, unless otherwise determined by the Residential Board, must contain while backing on the side facing the outside of the Building so that when the shades are

down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces, shall be subject to the prior written approval of the Residential Board and shall be in compliance with Law and the Residential Rules and Regulations.

(D) In the event that any Residential Unit Owner, after receipt of written notice from the Residential Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Residential Unit as provided in this Section 5.1 (or of any Residential Limited Common Elements or Residential Common Elements for which such Residential Unit Owner is responsible under the Declaration, these Residential By-Laws or the Condominium By-Laws), the Residential Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Residential Unit Owner within 5 days after receiving notice of such default by the Residential Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commence and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of such painting, decorating, maintenance, repair or replacement in such Residential Unit Owner's Residential Unit or to any such Common Element for which such Residential Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Residential Unit Owner to the Residential Board and shall, for all purposes hereunder, constitute Residential Common Charges payable by such Residential Unit Owner.

Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Residential Units.

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or Owner may make any structural alteration, addition, improvement or repair, in or to the Residential Unit or its appurtenant Residential Limited Common Elements without the prior written approval of the Residential Board. Prior to, and as a condition of, the granting of any such approval, the Residential Board may, at its sole option, require the Residential Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Residential Board may reasonably prescribe; and (ii) execute an alteration agreement, in from and substance satisfactory to the Residential Board, setting forth the terms and conditions under which such alterations, additions, 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. The Residential Board shall have the right to approve Residential Unit Owner's contractors and material men. The Residential Board may impose charges upon the Residential Unit Owner to reimburse the Residential Board for architectural, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until the completion and a fee payable to the Managing Agent and/or the Residential Board for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor, shall have the right to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or its appurtenant Residential Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Residential Units, all without the approval of the Residential Board or any Residential Unit Owner.

Notwithstanding the foregoing, all Residential Unit Owners, including Sponsor, prior to the making of any alteration, addition, improvement or repair in or to the respective Residential Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Residential Board may reasonably require, (ii) indemnify the Residential Board, the Condominium Board, the Managing Agent and Sponsor against any liability arising from the work; (iii) comply with Law; and (iv) comply with all terms and conditions of the Declaration and Condominium By-Laws, if applicable, and the Residential By-Laws.

(C) All alterations, additions, improvements and repairs by Residential Unit Owners shall be made in compliance with Law. In connection therewith, the Residential Board and the Condominium Board, to the extent necessary, shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Residential Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Residential Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Residential Board nor any Unit Owner (other than the Residential Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Residential Unit and its appurtenant Residential 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, material person, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Residential Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Residential Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Residential Unit and its appurtenant Residential Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Residential Board, if the Residential Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Residential Board and the Members of the Residential Board, the officers of the Residential Section, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a new or amended Permanent Certificate of Occupancy is obtained for the Residential Section, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Residential Limited Common Elements without first obtaining Sponsor's consent, which may be withheld in Sponsor's sole discretion, and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a new or amended Temporary or Permanent Certificate of Occupancy for the Residential Section and/or the Residential Section, or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued;

(ii) the Residential Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates

with all governmental authorities having jurisdiction with respect to such work and the completion of the work.

(iii) such work not be commenced until the Residential Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and license to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) Promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Residential Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Residential Section (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, the Condominium Board or the Residential Board), such work shall be performed solely by union members.

If any Residential Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the requirements of Sponsor or the Residential Board in connection with the alterations, Sponsor and/or the Residential Board shall be entitled to cause such work by the Residential Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Residential Section to the Residential Unit Owner's workers and suppliers, until the Residential Unit Owner complies with the same. During the period until the Residential Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Residential Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Residential Section (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Residential Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Residential Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefore.

Section 5.3 *Alterations, Additions, or Improvements to the Residential Common Elements.* Except as otherwise provided in the Declaration, the Condominium By-Laws or in these Residential By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Residential Common Elements shall be made by the Residential Board, and the cost and expense thereof shall constitute a Residential Common Expense attributable to all Residential Unit Owners. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Residential Board, exceed $100,000 at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Residential Unit Owners (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Residential Common Interests at a duly constituted meeting of the Residential Uni Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration, the Condominium By-Laws and in these Residential By-Laws, all such alterations, additions, or improvements costing $100,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Residential Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvement shall be made to any of the Residential Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Residential Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's or the Residential Board's insurer or (iv) make any repair, replacement and /or installation which is necessary for the preservation or safety of the Residential Section or the safety of its occupants. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Residential Unit Closing or (ii) until such time as Sponsor no longer owns any Residential Units.

Section 5.4 Insurance

(A) In addition to those types of insurance which the Condominium Board is required to maintain in accordance with the terms of the Declaration or the Condominium By-Laws, the Residential Board shall obtain (but only to the extent that such insurance is not required to be obtained by the Condominium Board in accordance with the terms of the Declaration or the Condominium By-Laws), and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Residential Section (other than the space defined by the dimensions of the Residential Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interest of the Residential Section, the Residential Board, all of the Residential Unit Owners and al Permitted Mortgagees, as their respective interest may appear. Each of the such 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 Residential Board and that all proceeds thereof shall be paid to either the Residential Board or the Insurance Trustee, as provided in Section 5.5 thereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the payment provisions in favor of the Residential Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 thereof; and

(iv) a provision that such policy may not either canceled or substantially modified except upon at least 30 days prior written notice to the Residential Board and all insureds who may be requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of such policies and of all renewals thereof, together with proof of payments of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Residential Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Residential Board shall also obtain and maintain, to the extent it deems practicable, in its sole and absolute discretion:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Residential Section and listing as co-insureds (a) the Residential Board and each Member thereof, (b) the Managing Agent (if any), (c) each office and employee of the Residential Section and (d) each Residential Unit Owner (except,, however, that such insurance shall not cover any liability of a Residential Unit Owner arising from occurrence within the own Residential Unit or its appurtenant Residential Limited Common Elements, if any),

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and director's liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Residential Section and Managing Agent;

(viii) plate glass insurance

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Residential Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Residential Board shall contain such limits as the Residential Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Residential Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Residential Section, exclusive of footings and foundation without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Residential Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Residential Board pursuant to subparagraph (ii) of paragraph (B) hereof, of the coverage shall be in an amount equal to the Residential Common Charges for one year.

Any insurance policies maintained by the Residential Board may also provide for such deductible amounts as the Residential Board shall determine. The Residential Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Residential Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Residential Board pursuant to the terms of the Residential By-Laws, shall be borne by the Residential Unit Owners as a Residential Common Expense.

(E) All Residential Unit Owners shall, at the Residential Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited, loss due to water damage) occurring in, upon, or from the Residential Unit or any part thereof, with minimum combined single limits of liability of $300,000 for bodily injury or death arising out of any one occurrence including $300,000 for damage to property and (b) "all -risk" replacement cost property insurance in respect of property damage occurring in, upon, or from the Residential Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations, improvements and settlements and loss due to water damage). For so long as Sponsor owns at least 1 Unsold Residential Unit, any change or elimination of such requirements may only be made upon Sponsor's prior written consent. Evidence of such insurance must be provided by the purchaser at the closing of title of each Residential Unit and thereafter, whenever requested by the Residential Board or Managing Agent.

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies shall contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Residential Board and the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Residential Board, the Condominium Board and Sponsor as additional insureds.

(F) All insurance policies carried by or on behalf of the Residential Board shall provide that adjustment of loss (settlement of claims) shall be made exclusively by the Residential Board if the loss involves only the Residential Section; in all other instances, the provisions of the Condominium By-Laws shall control as to adjustment of loss (settlement of claims).

Section 5.5 *Casualty or Condemnation*

(A) If any portion of the Property other than solely the Residential Section is damaged or destroyed by fire or other casualty, or if any of the Residential Section is damaged or destroyed together with any other portion of the Property, the provision of the Declaration and the Condominium By-Laws shall apply to any such repair and restoration. In the event that solely the Residential Section or any part thereof is damaged or destroyed by fire or other casualty (unless, in accordance with the Declaration or these Residential By-Laws, the Building is not to be repaired), the Residential Board will arrange for the prompt repair and restoration of the Residential Section (including each Residential Unit, but excluding improvements, betterments, equipment, furniture, furnishings or other personal property located in any such Residential Unit) and the Residential Board or Insurance Trustee as provided in the Declaration or herein, shall disburse the proceeds of all applicable insurance to the contractors engaged in such repair and restoration in appropriate progress payments.

(B) If only the Residential Section is damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be home as a Residential Common Expense or profit, respectively, and shared by all Residential Unit Owners in proportion to their respective Residential Common Interests in the Residential Units. Any surplus allocable to any Residential Unit pursuant to this subsection shall first be lessened by such amounts as may be required to discharge unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Residential Unit in the order of priority of such liens, and the remaining surplus, if any, shall then be paid to the owner of such Residential Unit. If any portion of the Property other than solely the Residential Section is damaged or destroyed by fire or other casualty, or if any portion of the Residential Section is damaged or destroyed together with any other portion of the Property, the provisions of the Declaration shall control as to any deficit or surplus in insurance proceeds.

(C) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Residential Units wholly or partially unusable for the purposes permitted in the Declaration and Residential By-Laws or (ii) destroy the means of access to one or more Residential Units, the installments of Common Charges otherwise payable by the owner of any Residential Unit so affected thereby shall proportionately abate until such Residential Unit shall again be rendered usable 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 Residential Unit so affected thereby, by a Family Member of such Residential Unit Owner, or by a tenant or other occupant of such Residential Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Residential Unit.

(D) If (i) a portion of any Residential Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Residential Unit shall be adjusted in the proportion that the total floor area of such

Residential Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Residential Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Residential Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable to such Residential Unit, which amendment shall be executed by the owner of such Residential Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Residential Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Residential Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Residential Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Residential Unit, and, in the event of a Taking of an entire Residential Unit, the right to vote appurtenant to such Residential Unit shall wholly terminate. In either event, the Common Interests and Residential Common Interests, where applicable of the other remaining Residential Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Residential Board and the owners of al of the other or remaining Residential Units together with the holders of the Permitted Mortgages thereof.

(E) As used in this Section 5.5, the words “promptly resolve” shall mean not more than sixty (60) days after the date of the damage or destruction in question occurs.

(F) Any dispute between the Residential Board and a Residential Unit Owner or the Condominium Board under this Section 5.5 shall be settled by Arbitration (as provided in Article 10).

Section 5.6 *Use of the Residential Section.*

(A) No nuisance shall be allowed on the Residential Section, nor shall any use or practice be allowed in the Residential Section that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residential or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Residential section or any portion thereof, and all valid Laws relating to any portion of the Residential Section shall be complied with at the sole cost and expense of the respective Residential Unit Owners or the Residential Board, whoever shall have the obligation to maintain or repair such part of the Residential Section.

(B) Nothing shall be done or kept in any Residential Unit or in any portion of the Residential Section that would increase the rate of insurance for the Property, except upon the prior written consent of the Resident Board. No Residential Unit Owner shall permit anything to be done or kept in a Residential Unit or in any portion of the Residential Section 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 Residential Section.

(C) Nothing shall be done in any Residential Unit or in, on, or to the Residential Section that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration, the Condominium By-Laws or in these Residential 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 Residential Units.*

(A) In order to provide the congenial occupancy of the Property and for the protection of the values of the Residential Units, the use of Residential Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7, the Declaration and these Residential By-Laws.

(B) Subject to the terms of paragraph (C) and (D) of this Section 5.7, each Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time, and not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity may only be occupied (unless the Residential Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) may, in its sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) The Residential Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use (i) complies with the terms of the Declaration; (ii) complies with Law; and (iii) does not violate the Temporary or Permanent Certificate of Occupancy for the Building. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior written consent of the Residential Board before using such Residential Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, or the Condominium Documents, Sponsor may, without the consent of either the Condominium Board, the Residential Board or any Unit Owner:

(i) grant permission for the use of any Unsold Residential Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Unit as model Units and offices for the sales promotion, rental, management and operation of the Unsold Residential Units or for any other purpose, subject only to compliance with Law.

Section 5.8 *Use of the Residential Common Elements.*

(A) Subject to the terms of paragraph (B) of this Section 5.8, and except as otherwise provided herein, the Residential Common Elements may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways or Residential Section elevator without the prior written consent of the Residential Board. The lobbies, vestibules, public halls, stairways and Residential Section elevator shall be used only for normal passage through them.

(B) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Residential Units. In addition to all other rights of Sponsor set forth in the Declaration and the Condominium By-Laws, Sponsor shall have the right without the consent of either the Condominium Board, the Residential Board or any Unit Owner and, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor or about any portion of the Residential Section chosen by Sponsor; (ii) have its employees, contractors, subcontractors and sales agents present in the Residential Section; and (iii) do all things necessary or appropriate, including the use of the Residential Common Elements, to sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Residential Section expressly undertaking by Sponsor to complete the initial construction of the Residential Section and to comply with Sponsor's obligations under the Offering Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Residential Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 *Use of the Storage Bins.*

(A) A Storage Bin may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored therein. Sponsor shall have the right to use any unassigned Storage Bin for any purpose permitted by Law or to change the permitted use of any unassigned Storage Bin, subject, however, to the provisions of the Residential By-Laws. Except for Sponsor and the Residential Board, a Storage Bin may not be licensed independently of a Residential Unit.

(B) The Residential Board has the authority to promulgate additional rules regarding the use of insurance coverage for, and access to the Storage Bins and Storage Bin Area and the procedures for assigning such Storage Bins including restrictions on the hours of access and use. A Residential Unit owner may transfer or surrender a Storage Bin License to the Residential Board which shall be authorized to reissue such Storage Bin License to another Residential Unit Owner for such consideration as the Residential Board shall deem appropriate. Sponsor may, without the consent of either the Residential Board or the Unit Owners, use any Unsold Storage Bin for any purpose, provided such use is permitted by Law.

Section 5.10 *Rights of Access.*

(A) In addition to the access rights set forth in the Declaration and the Condominium By-Laws, each Residential Unit Owner shall grant to the Residential Board, to the Managing Agent or manager (if any), to the Resident Manager or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Residential Unit, and its appurtenant Residential Limited Common Elements, if any, and the Storage Bin, if any, for the purposes of:

(i) Making inspections of, or removing violations noted or issued by any governmental authority against, the Residential Common Elements or any other part of the Property;

(ii) Curing defaults hereunder or under the Declaration or under the Condominium By-Laws, or violations of the applicable Rules and Regulations committed by such Residential Unit Owner or correcting any conditions originating in the Residential Unit and threatening another Residential Unit or all or a Portion of the Common Elements;

(iii) Performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Residential Unit or elsewhere in the Residential Section;

(iv) Reading, maintaining, or replacing utility meters relating to the Residential Section, to the Residential Unit, or to any other Residential Unit; or

(v) Correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Residential Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Residential Section or for the safety of the occupants of the Residential Section or other individuals, or required to avoid the suspension of any necessary service in the Residential Section), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Residential Units and their appurtenant Residential 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 Residential Unit Owner is present.

(B) Each Residential Unit Owner shall grant a right of access to the Residential Unit and its appurtenant Residential Limited Common Elements, if any, and the Residential Board shall grant rights of access to the Residential 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 and completing the initial construction of the Residential Section, provided that access thereto shall not be exercised, with respect to any Residential Unit and its appurtenant Residential Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Residential Unit and its appurtenant Residential Limited Common Elements, if any, for their permitted purposes.

(C) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Residential Unit and to the Residential Section or any portion thereof for the purpose of fulfilling Sponsor's obligations as set forth in the Offering Plan or in any amendment thereto, completing the initial construction of the Residential Section and performing certain alterations and repairs in or about the Residential Units, the Residential Common Elements and the Residential Limited Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Residential Unit and its appurtenant Residential Limited Common Elements, if any, for their permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Residential Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Residential Unit or to the personal property or fixtures contained therein.

Section 5.11 *Modification of the Residential Rules and Regulations.* The Residential Board shall have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Residential Unit Owners, in number and Residential Common Interest. Copies of the text of any amendments, modification, addition, or deletions to the Residential Rules and Regulations shall be furnished to all Residential Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Residential Board shall not have the right to amend, modify, add to, or delete any of the Residential Rules and Regulations if the same would materially and adversely affect Sponsor without the prior written consent of Sponsor.

Section 5.12 *Real Estate Taxes.* Until the Residential Units are separately assessed and billed for real estate tax purposes, the Residential Board will pay the taxes with respect to the Residential Units and shall allocate the cost thereof among the Residential Unit Owners as a Residential Common Expense. In the event of a proposed sale of any Residential Unit, the Residential Board (for so long as the Residential Board is still paying such real estate taxes) shall, upon the written request of the selling Residential Unit Owner, execute and deliver to the purchaser of such Residential Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Unit Owner's Residential Unit to the date of the Closing of Title to such Residential Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to the Residential Unit Owners by the supply company in accordance with and subject to the provisions of the Offering Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Residential Unit and/or Residential Common Element shall be: (i) considered part of the expense of maintaining such Residential Unit and/or Residential Common Element, (ii) determined by the Residential Board, (iii) paid by the Residential Board, and (iv) charged to the Residential Unit Owners as a Residential Common Expense. In the event there is a particular or unique use being made of a Residential Unit and/or Residential Common Element, the Residential Board shall cause a new survey to be made the cost of which shall be borne by the Residential Unit Owners as a Residential Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Residential Unit and water charges and sewer rent are billed directly to a Residential Unit Owner, in accordance with and subject to the provisions of the Offering Plan, the cost and expense of water serving or benefiting a Residential Unit and/or Residential Common Element shall be (i) considered part of the expense of maintaining such Residential Unit and/or Residential

Common Element, (ii) determined by the Residential Board, (iii) paid by the Residential Boar, and (iv) charged to the Residential Unit Owners as a Residential Common Expense. In addition, the cost of submetering shall be a Residential Common Expense.

Section 5.15 *Electricity*.

(A) Electricity for each Residential Unit shall be either individually direct metered or submetered for each Residential Unit (or portion thereof).

(B) If individually direct metered, each Residential Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Residential Unit Owner's Unit (or portion thereof) and in the Residential Limited Common Elements to which such Residential Unit has exclusive access.

(C) If the Residential Units are submetered, each Residential Unit Owner shall be required to pay bills for electricity consumed in such Residential Unit Owner's Unit either to the Residential Board or to the utility company or to the servicing company engaged by the Residential Board to perform such services all at the direction of the Residential Board. The Residential Common Expenses shall include fees for administering and servicing the submeters. In the event that a Residential Unit Owner fails to pay for its submetered electricity, the Residential Board shall be responsible to pay such expense on the Residential Unit Owner's behalf and such electricity charges shall be deemed Residential Common Charges allocable to the defaulting Residential Unit Owner and the Residential Board shall have a lien for non-payment of the expense as provided in Article 6.4 of these Residential By-Laws.

(D) Electricity for the Residential Common Elements, including, without limitation, any generators, shall be supplied through one or more separate meters therefore and the cost thereof will be paid by the Residential Board and will be borne by the Residential Unit Owners as Residential Common Expenses. In addition, the cost of submetering shall be a Residential Common Expense.

(E) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these Residential By-Laws.

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Residential Section, 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 Residential Section, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Residential Board and the Managing Agent and (ii) a separate listing for each Residential Unit, setting forth, among other things, the amount of each assessment of Residential Common Charges and Special Assessments levied against such Residential Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Residential Unit.

(B) Within 4 months after the end of each fiscal year of the Residential Section, the Residential Board shall submit to each Residential Unit Owner, and, if so requested, to any

Permitted Mortgagee, an annual report of the receipts an expenditures of the Residential Section prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Residential Board as a Residential Common Expense.

ARTICLE 6

RESIDENTIAL COMMON CHARGES

Section 6.1 *Determination of Residential Common Expenses and Fixing of Residential Common Charges; Storage Bin License Fees.*

(A) As described more fully in the Condominium By-Laws, the Condominium Board shall adopt an initial budget of the anticipated costs and expenses in connection with the repairs and maintenance of the General Common Elements and the conduct of the business and affairs of the Condominium, in compliance with the Condominium By-Laws and as may otherwise be required to meet the requirements set forth in the Declaration or the Condominium By-Laws to be General Common Expenses, for the first fiscal year of Condominium operation. As set forth in the Condominium By-Laws the Condominium Board shall from time to time, but at least annually, prepare a budget setting forth the projection of General Common Expenses and will allocated to the Residential Section (as a whole), in the manner described in the Condominium By-Laws, the Common Charges necessary to meet the Residential Section's allocated share of General Common Expenses. The Residential Board will allocate and assess to each Residential Unit Owner based upon such Residential Unit Owner's Residential Common Interest, a portion of the Common Charges allocated to the Residential Section, to be assessed against and paid by each Residential Unit Owner as part of the Residential Common Charges payable by such Residential Unit Owner, as provided herein.

(B) Except as otherwise provided herein, all costs and expenses in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or the Residential Limited Common Elements (collectively, the "Residential Common Expenses") shall be determined by the Residential Board and shall be borne solely by the Residential Unit Owners. The Residential Board shall, from time to time, but not less frequently than once a year; (i) prepare and adopt a budget setting forth the projecting of Residential Common Expenses, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Residential Common Charges necessary to be charged to the Residential Unit Owners in order to meet the Residential Common Expenses which shall include each Residential Unit Owner's share of Common Charges and Unit Expenses, if applicable; and (iii) allocated and assess such Residential Common Charges amongst the Residential Unit Owners in accordance with the allocations set forth in the First Year's Budget set forth in the Offering Plan. The Residential Board shall advise all Residential Unit Owners promptly thereafter in writing of the amount of Residential Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Residential Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Residential

Common Charges are based to all Residential Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Residential Board may, at its sole discretion, from time to time increase or decrease the amount of Residential Common Charges allocated to the Residential Units and payable by the Residential Unit Owners and may modify its prior determination of the Residential Common Expenses for any fiscal year so as to increase or decrease the amount of Residential Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Residential Common Expenses shall have a retroactive effect on the amount of Residential Common Charges payable by Residential Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Residential Board shall not reduce the Residential Common Charges payable during any fiscal year occurring within the Sponsor Initial Control Period solely as a result of either reducing the number of employees of the Residential Section below the number employed (or anticipated in the First Year's Budget) for the Residential Section on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Residential Section on such date, except with the concurrence of a majority of the Members of the Residential Board elected by Residential Unit Owners other than Sponsor. All Residential Unit Owners will be given a copy of the proposed annual budget at least 10 days prior to the date set for adoption thereof by the Residential Board.

(C) The failure or delay of the Residential Board to prepare or adopt a budget for the Residential Section or to determine the Residential 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 Residential Unit Owner from the obligation to pay Residential Common Charges. In such event, the Residential Common Charges that were computed on the basis of the Residential Common Expenses last determined for any fiscal year or portion thereof, together with the Residential Section's then current allocated share of Common Charges and Unit Expenses, if applicable, shall continue thereafter to be the Residential Common Charges payable by the Residential Unit Owners until a new determination of the Residential Common expenses shall be made.

(D) In addition to the foregoing duty to determine the amount of and assess Residential Common Charges, the Residential Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Residential Common Expenses including, without limitation, the Residential Section's allocated share of the Common Charges and Unit Expenses, if applicable, or any Special Assessment levied by the Condominium Board. All Special Assessments shall be levied against all Residential Unit Owners in proportion to their respective Residential Common Interest. Special Assessments may be payable either in one lump sum or in installments, as the Residential Board shall determine, provided, however, that the Residential Board shall give each Residential 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 purpose thereof. The Residential Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Residential Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(E) 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, Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Residential Unit Owners and shall be collected on behalf of the Residential Unit Owners by the Residential Board and applied against the Residential Common Expenses for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Residential Common Charges and any Special Assessments collected from the Residential Unit Owners, for any year of operation shall exceed the Residential Common Expenses for such year, then such excess shall be applied by the Residential Board Against the Residential Common Expenses for the next succeeding year(s) of operation. No Residential Unit Owner shall be entitled to a distribution of any portion of such excess unless the Residential Board shall determine to distribute all or part of such excess to all Residential Unit Owners pro-rata, in proportion to their respective Residential Common Interests and any such distributions must be made out of the Residential Common Charges collected from Residential Unit Owners.

Section 6.2 *Payment of Common Charges.*

(A) All Residential Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Residential Common Charges and Special Assessments assessed by the Residential Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Residential Board shall determine. Unless otherwise determined by the Residential Board, Residential Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Residential Board shall have a lien on each Residential Unit, on behalf of all Residential Unit Owners, for unpaid Residential Common Charges and Special Assessments assessed against such Residential Unit. Such lien, however, shall be subordinate, to the extent required by law, to any liens for real estate taxes assessed against such Residential Unit and any sums unpaid on a Permitted Mortgage recorded against the Resident Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Sponsor Initial Control Period, Sponsor, in its sole discretion, shall have the right to waive Residential Unit Owner's obligations to pay Residential Common Charges from and after the First Closing for a period to be determined by the Residential Board, provided during such period, the Common Charges and Unit Expenses, if applicable, imposed by the Condominium Board and payable by the Residential Board and the basic operating costs of the Residential Section (exclusive of reserves) are paid from the Working Capital Fund and any balance by Sponsor.

(C) No Residential Unit Owner shall be liable for the payment of any part of the Residential Common Charges and any Special Assessments assessed against the Residential Unit subsequent to a sale, transfer, or other conveyance by the Residential Unit Owner of such Residential 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 Residential Unit shall be liable for the payment of all Residential Common Charges and any Special Assessments accrued and unpaid against such Residential Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Residential Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Residential Unit shall not be subject to a lien,

for the payment of any Residential Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Residential Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Residential Unit Owner shall remain fully liable for the payment of all unpaid Residential Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Residential Board in payment of all unpaid Residential Common Charges and Special Assessments. In the case of a Residential Unit any remaining unpaid Residential Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied.

(D) Subject to the terms and conditions contained in these Residential By-Laws, any Residential Unit Owner may convey the Residential Unit, together with its Appurtenant Interests, to the Residential Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, without being compensated therefore, and, in such event, be exempt from the payment of Residential Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Residential Common Charges and any Special Assessments then due and payable with respect to such Residential Unit have been paid: (ii) such Residential Unit is free and clear of all liens and encumbrances other than a permitted Mortgage and the statutory lien for unpaid Residential Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Residential Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Residential Board and thereby except itself from Residential Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Common Interests then appertaining to all Residential Units, at least five years shall have elapsed from the date of the First Residential Unit Closing and, at the time of conveyance, Sponsor shall pay to the Residential Board an amount equal to the product of the then current monthly Residential Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

(E) No Residential Unit Owner shall be exempted from liability for the payment of Residential Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Residential Common Elements or by abandoning the Residential Unit (except with respect to a conveyance of the same to the Residential Board, without compensation, pursuant to the terms of paragraph (D) hereof). Except as expressly provided to the contrary in paragraph (C) of Section 5.5 hereof, no Residential Unit Owner shall be entitled to a diminution or abatement in the Residential 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 Residential Common Elements or any Residential Unit (including, without limitation, such Residential Unit) pursuant to the terms of Section 5.5 hereof; or (iii) any action taken by the Condominium board, the Residential Board or the officers of the Condominium or the Residential Section to comply with Law.

Section 6.3 *Statement of Residential Common Charges.* The Residential Board shall promptly provide a written statement of unpaid Residential Common Charges due from any

Residential Unit Owner upon its receipt of a written request therefor from such Residential Unit Owner. In addition, each Residential Unit Owner shall be permitted to examine the books of account of the Residential Section at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Residential Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Residential Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. In the event the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Residential Board, shall deposit with the Residential Board the amount so applied or retained so that the Residential Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Residential Common Charges.*

(A) The Residential Board shall take prompt action to collect any Residential Common Charges due to the Residential Board that remain unpaid for more than 15 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Residential Board (including reasonable attorney's fees) as a result of its attempt to collect unpaid Residential Common Charges and/or Special Assessments shall be borne by the Residential Unit Owner and shall constitute Residential Common Charges payable by such Residential Unit Owner. In connection therewith, the Residential Board shall have the right and obligation to cause liens for all sums due and owing to the Residential Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Residential Board to recover all such unpaid Residential Common Charges, together with all additional sums of money collectible by the Residential Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Residential Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges. The lien for unpaid Residential Common Charges shall be subordinate to (i) any mortgage liens of record encumbering the unit and (ii) any lien of the Condominium Board for unpaid Common Charges.

(B) In the event that any Residential Unit Owner shall fail to make prompt payment of Residential Common Charges, such Residential Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Residential Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Residential Common Charges with

interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150.00 per month for Residential Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to reasonable attorney's fees, in such amount as may be determined by the Residential Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Residential Board shall bring an action to foreclose the aforementioned lien, the defaulting Residential Unit Owner will be required to pay a reasonable rental for the use of the Residential 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 Residential Unit Owner.

(C) In any action brought by the Residential Board to foreclose a lien on a Residential Unit because of unpaid Residential Common Charges, the Residential Board shall have, on behalf of all Residential Unit Owners, the power to purchase such Residential Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Residential Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Residential Unit Owner's obligations to the Residential Section, such Residential Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Residential Unit Owner after first paying all liens on such Residential Unit Owner' Residential Unit in the order of priority of such liens.

(D) If the Residential Unit Owner shall at any time lease the Residential Unit and shall default in the payment of any Residential Common Charges or additional Residential Common Charges, the Residential Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Residential Unit Owner, and apply the amount to pay sums due and to become due from the Residential Unit Owner to the Condominium. Any payment by a tenant to the Residential Board shall constitute a discharge of the obligation of such tenant to the Residential Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Residential Unit Owner, or a release or discharge of any of the obligations of the Residential Unit Owner hereunder. In the event the tenant fails to pay the rent to the Residential Board after demand by the Residential Board, the Residential Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Residential Unit Owner, against the tenant. All costs and expenses incurred by the Residential Board (including reasonable attorney's fees) in connection therewith, shall be borne by the Residential Unit Owner and shall constitute Residential Common Charges payable by such Residential Unit Owner.

(E) Nothing contained in this Section 6.5 shall be deemed to limit the rights of the Condominium Board in respect of any default in the payment of Common Charges.

ARTICLE 7

SELLING AND LEASING OF RESIDENTIAL UNITS

Section 7.1 *General*. Each Residential Unit Owner may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than 1 year, provided however, no Residential Unit Owner may sell or lease the Residential Unit except in compliance with 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 Residential Board, and, if the Residential Board shall so elect, the selling or leasing Residential Unit Owner shall be deemed to have authorized and empowered the Residential Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Residential Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 *Notice to Residential Board.*

(A) Subject to the terms of Sections 7.6 hereof, any contract to sell a Residential Unit together with its Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement" 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 RESIDENTIAL BOARD OF THE RESIDENTIAL SECTION WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF ARTICLE 7 OF THE RESIDENTIAL BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bonafide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Residential Unit Owner") shall send written notice thereof to the Residential Board, by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) Thereafter, upon the written demand of the Residential Board, the Offeree Residential Unit Owner shall submit to the Residential Board, as applicable, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Residential Board may reasonably request.

(C) The Residential Board may not discriminate against any person on the basis of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

Section 7.3 *No Severance of Ownership.* No Residential Unit Owner shall execute any deed or other instrument conveying title to the Residential Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly

mentioned or described therein. No part of the Appurtenant Interests of any Residential Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Residential Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Residential Units. Nothing contained in this Section 7.3, however, shall prohibit the lease of any Residential Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.4 *Payment of Residential Common Charges.* No Residential Unit Owner shall be permitted to convey or lease the Residential Unit unless the Residential Unit Owner shall have paid in full to the Residential Board all unpaid Residential Common Charges and Special Assessments theretofore assessed against such Residential Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Residential Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

Section 7.5 *Power of Attorney.* At the time of acquiring title to a Residential Unit and as a condition thereof, the new Residential Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Residential Board) for recording in the Register's Office (at such Residential Unit Owner's sole cost and expense), the Residential Unit Owner's Power of Attorney required in Article 18 of the Declaration.

Section 7.6 *Gifts and Devises, Etc.* Any Residential Unit Owner shall be free to convey or transfer the Residential Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the provisions of this Article 7.

Section 7.7 *Costs and Expenses.* All costs and expenses incurred by the Residential Board or Sponsor as the case may be, including without limitation, attorneys' fees and disbursements paid or incurred by the Residential Board or by its Managing Agent or Sponsor in connection with any action taken by the Residential Board or Sponsor with regard a violation of this Article 7, shall be borne by the Residential Unit Owner as an additional Residential Common Charge if incurred by the Residential Board or as an expense paid directly to Sponsor if incurred by Sponsor.

Section 7.8 *Assignment of Storage Bin Licenses.*

(A) Except for Sponsor, No Residential Unit Owner shall be permitted to assign, convey or lease any Storage Bin to anyone other than a Residential Unit Owner. A Storage Bin License may be assigned by a Residential Unit Owner at any time (and not subject to any right of first refusal by the Residential Board) provided (i) the assignee is another Residential Unit Owner at the Condominium; (ii) the assignee assumes the obligations under the Storage Bin License; (iii) notification of the assignment is promptly delivered to the Residential Board in compliance with its requirements; and (iv) all unpaid Residential Common Charges and Special Assessments and other obligations due to the Condominium have been paid in full.

(B) If the Residential Board terminates a Storage Bin License or a Residential Unit Owner surrenders a Storage Bin License without assigning the Storage Bin License to another

Residential Unit Owner, the Residential Board shall have the right to issue a new Storage Bin License for the Storage Bin to another Residential Unit Owner, in its sole discretion and the surrendering Residential Unit Owner shall not be entitled to any compensation.

ARTICLE 8

MORTGAGING OF RESIDENTIAL UNITS

Section 8.1 *General.* Each Residential Unit Owner shall have the right to mortgage the Residential Unit, subject only to the terms and conditions contained in Section 8.2 hereof (which terms and conditions shall not be applicable to Sponsor). Any Residential Unit Owner who mortgages the Residential Unit, or the holder of such mortgage, shall supply the Residential Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Residential Board. A Residential Unit Owner who satisfies a mortgage covering the Residential Unit shall so notify the Residential Board and shall file a conformed copy of the satisfaction of mortgage with the Residential Board. The Secretary of the Residential Board shall maintain such information in a book entitled "Mortgages of Residential Units."

Section 8.2 *Restrictions on Mortgage.*

(A) No Residential Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Residential Unit unless and until the Residential Unit Owner shall have paid in full to the Residential Board all unpaid Residential Common Charges and Special Assessments theretofore assessed against such Residential Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Residential Unit.

(B) No Residential Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Residential Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deeded 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 Residential Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Residential Unit shall be made by an Institutional Lender, Sponsor, or by a Residential Unit Owner providing purchase money financing in connection with the sale of the Residential Unit.

Section 8.3 *Notice of Unpaid Residential Common Charges and Default.* Whenever requested in writing by a Permitted Mortgagee, the Residential Board shall promptly report to such Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Residential Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Residential Board has knowledge then exists. The Residential Board shall, when giving notice to a Residential Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Residential Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the

Condominium Documents, provided that (i) the Residential Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Residential Board shall foreclose a lien on such mortgagor's Residential Unit pursuant to the terms of Section 6.5 hereof by reason of such default, the Residential Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Residential Unit (after retaining all sums due and owing to the Residential Board 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 Residential Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by the Permitted Mortgagee, and the Residential Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Residential Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Residential Section 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, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Residential Board or any Residential Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Residential Unit Owner's mortgagor. In the Event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these Residential 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 Residential Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgagees may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Residential Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Residential Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these Residential By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall not be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Residential Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Residential Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these Residential By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Residential Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Residential Unit Owner's part to be observed or

performed, including, without limitation, any breach of Residential Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Residential Unit or its appurtenant Residential Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Residential Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Residential Board shall have the right to enter such Residential Unit Owner's Unit and/or its appurtenant Residential Limited Common Elements, if any, 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 Residential Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Residential Section or for the safety of the occupants of the Residential Section or other individuals or is required to avoid the suspension of any necessary service in the Residential Section, the Residential Board may take such action immediately, without prior notice and without allowing such Residential Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 Abatement and Enjoinment.

(A) In the event that any Residential Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Residential Unit Owner's part to be observed or performed, the Residential Board shall have the right (i) to enter any Residential Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Residential Unit Owner, any structure, thing or condition resulting in such violation or breach and the Residential Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) 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, provided that the Residential Board gives the Residential Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Residential Board will complete such repairs or replacements in the event the Residential Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Residential Board may deem appropriate, and the Residential Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(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 shall give to Sponsor the right to enjoin, abate, or remedy the continuation or repetition of 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 Residential Board or to Sponsor 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 Residential Board or Sponsor, 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 Residential Board in connection with the abatement, enjoinment,

removal , or cure of any violation, breach, or default committed by a Residential 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, enjoinment, 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 Residential Unit Owner to the Residential Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Residential Board or the Residential Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Residential Unit Owner pursuant to Law). All sums payable by a Residential Unit Owner to the Residential Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Residential Common Charges payable by such Residential Unit Owner.

Section 9.5 Condominium Board. Nothing contained in this Article 9 shall be deemed to limit the rights of the Condominium Board in respect of any default under the Declaration or Condominium By-Laws.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of these Residential By-Laws 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 City of New York. The decision of the arbitrator so chosen shall be given within 10 days after selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 Members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of these Residential By-Laws may, by written agreement vary any of the terms of Section 101 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 Disputes.”

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 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.

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 disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Residential Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Residential Unit Owners and except all meetings of the Residential Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Residential Board, to the Residential Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Residential Unit Owner other than Sponsor, to such Residential Unit Owner at Residential Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Offering Plan;

(iv) if to a Permitted Mortgagee to such Permitted Mortgagee at its latest address designated in writing to the Residential Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, 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 these Residential By-Laws, a waiver thereof in writing, signed by the Persons entitle to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO RESIDENTIAL 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 Residential By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor and/or any Permitted Mortgagee, any provision of these Residential 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 Residential Common Interest of all Residential Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Residential Board as attorney-in-fact of all Residential Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Residential Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Residential 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 (where applicable) of Residential Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office. No amendment to these By-laws with respect to the rights of Unit Owners who have entered into Storage Bin License Agreements may be made without the consent of at least two-third (2/3) of the Unit Owners who are parties to a Storage Bin License Agreement. The terms "amend," amended" or "amendment" as used in these By-Laws shall also be deemed to mean deleting a provision of the By-Laws or adopting a new By-Law.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration, the Condominium By-Laws or these Residential By-Laws with respect to Special Amendments.

(i) the Common Interest and the Residential Common Interest and appurtenant to any Residential Unit, shall not be altered without the consent of the Residential Unit Owner thereof, except as otherwise provided in Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Residential Common Interest of all Residential Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendments, modification, addition, or deletion of or to any of the provisions of these Residential By-Laws that, pursuant to the terms of the Declaration, the

Condominium By-Laws or these Residential By-Laws, may be effected by Sponsor, without the consent of the Condominium Board, the Residential Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor, as attorney-in-fact of both the Residential Board and all Residential 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 certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor pursuant to the terms of these Residential By-Laws, in which Certification there shall be set forth the Article and/or Section of these Residential 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 Register's office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment modification, addition, or deletion of or to these Residential By-Laws shall be effective in any respect against Sponsor unless and until Sponsor 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) or paragraph (C) of Section 6.2, 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 Residential By-Laws, whether such Person is a Residential Unit Owner, a lessee or sublessee of a Residential Unit Owner, an occupant of a Residential Unit, a Member of the Residential Board, an officer of the Residential Section, 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 Residential 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 Deliver or Act.*

(A) If any Residential Unit Owner or other Person that is subject to the terms of these Residential By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, with 10 days after request therefor, to take any action that such Residential Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these Residential By-Laws, then the Residential Board is hereby authorized, as attorney-in-fact for such Residential 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 Residential Unit Owner or other Person, and such document or action shall be binding on such Residential Unit Owner or other Person.

(B) If the Residential Board, any Residential Unit Owner, or other Person that is subject to the terms of these Residential By-Laws fails to execute, acknowledge, or deliver any

instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Residential Board, such Residential Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these Residential By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Residential Board, such Residential 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 the Residential Board, such Residential Unit Owner or other Person, and such document or action shall be binding on the Residential Board, such Residential Unit Owner, or other Person. The Residential Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these Residential By-Laws which requires the consent or approval of the Residential Board.

Article 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents*. Copies of the Condominium Documents, as the same may be amended from time to time, shall be maintained at the office of the Residential Board and shall be available for inspection by Residential Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 *Waiver*. No provision contained in these Residential By-Laws or the Residential Rules and Regulations 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 *Conflict*. In the event of any conflict between the provisions of these Residential By-Laws or the Residential Rules and Regulations, and those of the Condominium By-Laws or the Condominium Rules and Regulations, the provisions of the Residential By-Laws or the Residential Rules and Regulations, as the case may be, shall control.

Section 14.4 *Severability*. If any provision of these Residential By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these Residential By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these Residential By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Laws.

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 assignee or designee of Sponsor. Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest therein, whether any merger, consolidation, lease, assignment, or otherwise.

Section 14.6 *Gender*. A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, 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 these Residential By-Laws or the intent of any provision hereof.

Section 14.8 Consents. Wherever the consent, approval or satisfaction of Sponsor is required under these Residential By-Laws, such consent, approval or satisfaction shall not be required when (i) there are no remaining Unsold Residential Units, (ii) the Residential Section has been fully completed, (iii) a Permanent Certificate of Occupancy therefor has been issued and (iv) Sponsor has no remaining obligations under the Offering Plan or otherwise.

Section 14.9 *Certain References.*

14.9.1 A reference in these Residential 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.

14.9.2 The terms “herein”, “hereof” or “hereunder” or similar terms used in these Residential By-Laws refer to these Residential By-Laws in their entirety and not to the particular provision in which the terms are used.

14.9.3 Unless otherwise stated, all references herein to Articles, Sections, subsections, subparagraphs or other provisions are references to Articles, Sections or other provisions of these Residential By-Laws.

Section 14.10 *Organization*. The Residential Board is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Residential Section.

Section 14.11 *Inurement*. No part of the Residential Section’s net earnings shall inure, and the Residential Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing or providing management, maintenance, and care of the Residential Section, and other than by rebate of excess membership dues, fees, or assessments).

Section 14.12 *Residential Use.* All of the Residential Units are and will be used by individuals for residences.

ADDENDUM 1 TO THE RESIDENTIAL BY-LAWS
RESIDENTIAL RULES AND REGULATIONS

1. The sidewalks, entrances, passages, public halls, elevator, vestibules, corridors and stairways of or appurtenant to the Residential Section shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.
2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be ridden in the Building or on Terraces. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand unattended in the public halls, passageways, or other public areas of the Residential Section.
3. Trunks, heavy baggage, furniture, appliance and other heavy items requiring incremental time to transport shall be taken in or out of the Residential Section only by the elevator at such times as designated by the Residential Board or the Managing Agent.
4. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the passages, public halls, vestibules, corridors or on any of the staircases, fire tower landings or elevator of the Residential Section, nor shall any fire exit thereof be obstructed in any manner.
5. No Residential Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation, or which will increase the insurance requirements for the Building, the Condominium or the Residential Section.
6. No refuse from the Residential Units shall be sent to the service area of the Residential Section, other than by use of the refuse chutes, except at such times and in such manner as the Residential Board or the Managing Agent may direct. Removal of recycled items shall be brought to the service areas at such time and in such manner as the Residential Boar or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Residential Section, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.
7. There shall be no playing or lounging in the passages, public halls, elevator, vestibules, corridors, stairways, or fire towers of the Residential Section. Acceptable uses for the lobby and other common areas must conform to the written guidelines of the Residential Board or the Managing Agent.
8. The Residential Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Residential Common Elements devoted to storage or service purposes in the Residential Section.
9. Nothing shall be done or kept in any Residential Unit or in the Residential Common Elements that will increase the rate of insurance of the Condominium, Building, the Residential Section or any of the contents of the foregoing. No Residential Unit Owner shall permit anything to be done or kept in the Residential Unit or in the Residential Common Elements that will result in the cancellation of insurance on the Condominium, the Building or the Residential Section, or and of the contents thereof, or that would be in violation of any Law. No Residential Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the Residential Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Residential Unit.
10. No Residential Unit Owner shall make, cause or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Residential Unit or its appurtenant Residential Limited Common Elements, if any, or permit anything to be done therein that will

interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Residential Unit Owner's Residential Unit or its appurtenant Residential Limited Common Elements, if any, that will interfere with the rights, comfort or convenience of the other Residential Unit Owners between 11:00 p.m. and the following 7:00 a.m., if the same shall disturb or annoy other occupants of the Residential Section, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 11:00 p.m. and the following 7:00 a.m. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on week days (not including legal holidays) and only between the hours of 7:00 a.m. and 5:00 p.m., unless such construction or repair work is necessitated by an emergency or is required by Sponsor.

11. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Residential Board. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Residential Board, all Residential Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations of the Residential Board adopted with respect thereto, including without limitation, the number and size of such pets. Notwithstanding the foregoing, the Residential Board shall have the right to adopt a no-pet policy for the Residential Section. In no event shall any pet be permitted in any elevator, or in any of the public portions of the Residential Section, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Residential Section, or on the sidewalk or street adjacent to the Residential Section. No Pets are permitted on Terraces or in the Fitness Center or the Lounge except carried on a leash.
12. No group tour, open house or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Residential Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Residential By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, vestibule or corridor of the Residential Section.
13. Unless expressly authorized by the Residential Board in each instance, not less than 80% of the total floor area of each room of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.
14. No window guards or other window decorations shall be used in or about any Residential Unit, unless required by Law and as approved in writing by the Residential Board or the Managing Agent, except that to promote a consistent appearance of the Residential Section from the outside, each Residential Unit Owner will be required to install and maintain window treatments having a white-colored backing on the sides facing the windows in its Residential Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Residential Board. In no event, however, shall any windows of any Residential Unit be colored or painted.
15. No ventilator or air conditioning device shall be installed in any Residential Unit or is appurtenant Residential Limited Common Elements, if any, without the prior written approval of the Residential Board, which approval may be granted or refused in the sole discretion of the Residential Board.

16. No radio or television aerial shall be attached to or hung from the exterior of the Residential Section, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale," "For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Residential Section, except such as are permitted pursuant to the terms of the Residential By-Laws or shall have been approved in writing by the Residential Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.
17. All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwrites and the public authorities having jurisdiction, and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment in such Residential Units.
18. Water-closets and other water apparatus in the Residential Section shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of the Residential Unit.
19. Each Residential Unit Owner shall keep the Residential Unit and its appurtenant Residential Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness.
20. The agents of the Residential Board or the Managing Agent, and any contractor or work person authorized by the Residential Board or the Managing Agent, may enter any room or Residential Unit at any reasonable hour of the day, on at least 1 days prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.
21. The Residential Board or the Managing Agent may retain a pass-key for entry via elevator and any door to each Residential Unit. If any lock is altered or a new lock is installed, the Residential Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to the Residential Unit at any time when an entry therein is necessary or permissible under these Residential Rules and Regulations or under the Residential By-Laws, and has not furnished a key to the Residential Board or the Managing Agent, then the Residential Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Residential Section or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's Property).
22. If any key or keys are entrusted by a Residential Unit Owner, by any Family Member thereof, or by an agent, domestic employee, employee, licensee, or visitor to an employee of the Residential Section or of the Managing Agent, whether for the Residential Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Residential Unit Owner, and neither the Residential Board nor the Managing Agent shall (except as provided in Rule 21 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

23. Residential Unit Owners and their respective Permitted Users shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Residential Section or the room mechanical equipment rooms or mechanical areas.
24. Residential Unit Owners and their respective Permitted Users shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon any equipment rooms or mechanical rooms in the cellar of the Residential Section.
25. No occupant of the Residential Section shall send any employee of the Condominium, the Residential Section or of the Managing Agent out of the building on any private business.
26. Any consent or approval given under these Residential Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Residential Board. Further, any such consent or approval may, in the discretion of the Residential Board or the Managing Agent, be conditional in nature.
27. Complaints regarding the service of the Residential Section shall be made in writing to the Residential Board and the Managing Agent.
28. No public hall or public elevator vestibule of the Residential Section (other than on those floors, if any, containing full-floor Residential Units) shall be decorated or furnished by any Residential Unit Owner in any manner, except as otherwise expressly provided in the Residential By-Laws.
29. Residential Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to recycling of waste and refuse, including, without limitation, the separation of trash into “recyclable” and “non-recyclable” materials and/or categories of each of same. The Residential Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Residential Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Residential Board may also establish other rules and regulations regarding the recycling of trash. Any costs incurred by the Residential Board to enforce the Residential Rules and Regulations or the requirements of applicable Law regarding the recycling of trash against a Residential Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Residential Unit Owner as additional Residential Common Charges. Residential Unit Owners will comply with the following procedures with respect to the use of the refuse chutes: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; and (f) refrain from depositing waste of an explosive or otherwise hazardous nature therein. Any refuse not disposable by depositing same in the refuse chute must be picked up directly from the Residential Unit by Residential Section personnel at such times and in such manner as the Residential Board or the Managing Agent of the Residential Section shall determine.
30. The Residential Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the judgment of the Residential Board, the Residential Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, the Building or the Residential Section, or the preservation of good order therein, or the operation or maintenance of the Condominium, the Building or the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit

Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Residential Unit Owner or other occupant.

31. Notwithstanding any references to "Residential Unit Owner" in these Residential Rules and Regulations, these Residential Rules and Regulations shall be binding upon all Residential Unit Owners and all tenants, guests and other occupants of the Residential Unit(s) of such Residential Unit Owner(s). Residential Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Residential Rules and Regulations by their Family Members, guests, invitees, tenants, employees, agents, visitors and any other occupants or Permitted Users of their Residential Units.

32. The public amenity and common facilities areas of the Residential Section shall be used in such manner, at such times and in accordance with such policies as the Residential Board or the Managing Agent of the Residential Section may direct.

33. With respect to any Residential Unit to which there is appurtenant a Terrace, the following additional rules and regulations shall apply to such Residential Unit and the Residential Unit Owner thereof:

a. A Residential Unit Owner shall be required to obtain the prior written consent of the Residential Board prior to making any Terrace improvements, including without limitation, enclosing, erecting a greenhouse and/or altering such Terrace in any way, or installing any planters or plantings on such Terrace.

b. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor or 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 Terrace or roof but shall stand on supports at least two inches above such surface. No planters or planting shall be permanently affixed to a Terrace or roof surface (except to the extent such planters or plantings were installed by Sponsor) but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition.

c. Under no circumstances shall any Residential Unit Owner install or permit any item or improvement on the roof which exceeds a maximum of 100 lbs./sq. ft. live load. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such planters or plantings.

d. The Residential Board shall have an easement and a right of access to the Terrace appurtenant to any Residential Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Residential Common Elements located in, over, under through, adjacent to, or upon the same.

e. Any damage caused by the Residential Unit Owner's negligence or use of any Terrace shall be at such Residential Unit Owner's sole cost and expense. All Terraces must be kept clean and free from snow, ice, leaves and debris and all screens and drains must be kept in

good repair by the Unit Owner. The Residential Unit Owner shall not remove any of the above items by putting them over any Terrace walls, but shall remove said items either through the Residential Unit or through drainage where appropriate. No hanging of any items, including but not limited to banners, laundry, decorations, etc. from any Terrace wall, structure, railing or other temporary or permanent structure is permitted.

f. No items, including but not limited to climbing equipment, bikes, pools, children's toys, etc., may be stored on any Terrace; any appropriate furniture including table, chair cushions and umbrellas may be left on any Terrace only if property secured. No items can be placed on any Terrace parapet wall and/or railing. No portion of any Terrace may be painted, cemented or changed in any fashion from original appearance. No carpeting may be placed on any Terrace. Lighting fixtures may only be plugged into regulation sockets. No satellite dishes may be placed on any Terrace.

34. Smoking and the use of electronic cigarettes is permitted in individual Residential Units and on the Balconies or Terraces appurtenant to individual Residential Units. Smoking and the use of electronic cigarettes is prohibited in all indoor and other outdoor common areas of the building, including elevators, hallways, stairwells, lobbies, common courtyards, common rooftops and other work areas of the building used by residents or by the maintenance and building personnel, as required by all applicable laws. In addition, residents who smoke or allow others to smoke in their Residential Units shall be responsible for ensuring that the smoke does not infiltrate into other parts of the building. Residents must mitigate the possibility of the escape of second hand smoke emanating from their apartment.

807 MANHATTAN AVE. BROOKLYN, NY COMMERCIAL LEASE SPACE:	
CELLAR	1,927
GROUND FLOOR	10,279
TOTAL	12,206

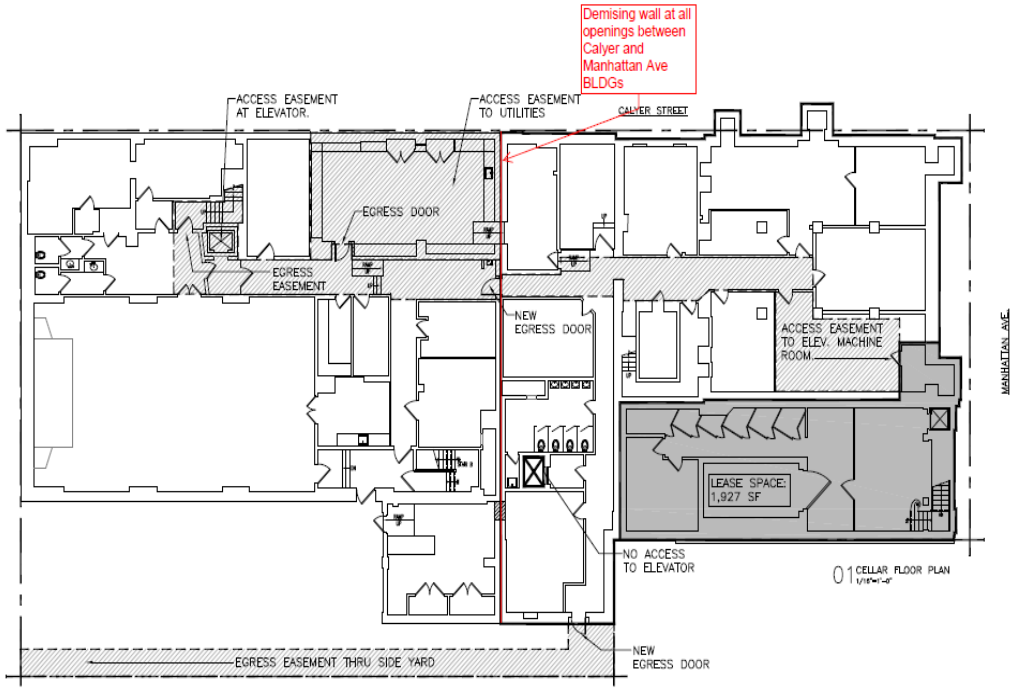
DIMENSION OF UNITS

THE UNIT CONSISTS OF THE AREA MEASURED HORIZONTALLY FROM THE EXTERIOR SIDE OF THE EXTERIOR WALLS AND TO THE CENTERLINE OF THE INTERIOR WALLS OR PARTITIONS SEPARATING ONE UNIT FROM ANOTHER UNIT. COLUMNS, MECHANICAL PIPES, SHAFTS, CHASES AND CONDUITS ARE NOT DEDUCTED FOR THE PURPOSE OF FLOOR AREA MEASUREMENTS.

LEGEND:

- LEASE SPACE
- EASEMENT
- NO ACCESS

*ALL EASEMENTS ARE SUBJECT TO CHANGE



P K + S B	330 W42 STREET NEW YORK NY 10036 T 212 594 2010 F 212 947 4381	Project:	807 MANHATTAN AVENUE, BROOKLYN, NY 11222	Date:	3/20/2015
				Drawn by:	RB
		Dwg. Title:	COMMERCIAL UNIT - CELLAR PLAN (PHASE I)	Chkd. by:	RB
		Scale:	1/16" = 1'-0"	Manager:	SP

EXHIBIT G TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

STORAGE BIN MASTER LICENSE AGREEMENT
AND
FORM OF STORAGE BIN SUB-LICENSE AGREEMENT

STORAGE BIN MASTER LICENSE AGREEMENT

AGREEMENT MADE THIS day of , 202_, (this "**Agreement**") by and between the Residential Board of Managers of **807 Manhattan Avenue Condominium** (the "**Licensor**"), having an office at 807 Manhattan Avenue, Brooklyn, NY 11222 and **807 Manhattan Avenue LLC**, having an address at 38 East 29th Street, New York, New York 10016 (the "**Licensee**").

R E C I T A L S

WHEREAS, pursuant to the condominium declaration and by-laws for the condominium known as **807 Manhattan Avenue Condominium** (the "**Condominium"**) dated _____, recorded on _____ as _____, as same may be amended from time to time (collectively the "**Declaration**") for the property having the Street address 807 Manhattan Avenue, Brooklyn, NY (the "**Property**") the Property was submitted to the NYS Condominium Act; and

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for administration of the Residential Area of the Condominium, including, without limitation the "Storage Bins" as such term is more particularly defined and described in the Declaration; and

WHEREAS, Licensee is the Sponsor of the condominium conversion and Declarant of the Declaration, and therefore is the owner, prior to the first closing of condominium units pursuant to the Declaration, of all of the residential units (the "**Residential Unit**" [if more than one Residential Unit collectively, the "**Residential Units**"]) in the Condominium; and

WHEREAS, Licensee desires the right to the retain the exclusive use of the space in all of the Storage Bins and the Storage Bins themselves (individually, the "**Bin Space**" and collectively, the "**Bin Spaces**") on the terms and conditions of this Agreement; and

WHEREAS, capitalized terms used in this License Agreement and not defined herein shall have the meanings given to them in the Declaration.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, receipt of which is hereby acknowledge, the parties hereto agree as follows:

1. *License Fee.* Licensee shall pay to Licensor monthly, on the 1st day of each month during the Term of this Agreement, a license fee (the "**License Fee**"). The License Fee shall be deemed an assessment by Licensor and failure to pay same shall entitle Licensor to the same rights and remedies as Licensor then has under the Declaration for non-payment of Common Charges or other assessments. The License Fee shall be in the amounts set forth in Schedule A-1 annexed hereto per month, payment of which shall be apportioned on the first day of the following month and monthly payments shall commence on the first day of the month thereafter and continuing through the fifth year of the commencement date of the license. Thereafter Licensor may increase the License Fee annually, in its sole discretion.

2. *Use of Bin Space:* Access *to Bin Space.*

(a) Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, an exclusive license to use the Bin Space during the Term hereof (the **"License"***)*

for storage of personal property and the property of permitted occupants of the Unit (collectively, the "**Permitted Users"***).*

(b) Licensee shall not store or permit anyone else to store in the Bin Space any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items.

(c) Licensee shall not (i) store any property outside of the Bin Space, (ii) allow any other person to use the Bin Space except in accordance with the terms of this Agreement, or (iii) deface or damage the Bin Space, the Building or Licensor's equipment. Notwithstanding anything to the contrary contained in this Agreement, Licensee may install racks, shelving or other facilities within the Bin Space, provided that such installation does not damage the structural integrity of Licensee's Storage Bin or any other Storage Bin. Licensee shall, however, at Licensor's request and at Licensee's sole expense, remove any such installation upon the expiration of the Term or earlier termination of this Agreement.

(d) Licensee shall keep the Bin Space locked with a lock procured by Licensee at Licensee's expense, and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys. Licensor shall be entitled to use the duplicate key in its possession to access the Bin Space only in the case of emergency as described below, or to make repairs that Licensor in its reasonable judgment, deems necessary.

(e) Licensee shall have access to the Bin Space 24 hours a day, seven days a week, subject to the right of Licensor, in its reasonable judgment, to restrict late night access for security reasons.

3. *Term. T*he term of this License (the "**Term"***)* shall commence on the date first set forth above, and shall continue until the earlier of (i) the date all individual Storage Bins have been sub-licensed by the Licensee, subject to the provisions of Section 4 of this Agreement, (ii) the date on which Licensee gives Licensor written notice of termination, or (iii) as to an individual Bin Space, the date the Licensee assigns a Sub-license (hereinafter defined) to such individual Bin Space to the Licensor, as provided herein.

4. *Sale or Lease of Residential Unit; Assignment/Sublicense of this Agreement*.

(a) The License granted hereunder shall automatically terminate on the date that Licensee has served a written notice of termination, as provided in paragraph 3 (ii) above or has sub-licensed all Storage Bins as provided in paragraph 3 (i) above, except, however, for Storage Bins Licensee has sub-licensed under this License to a purchaser(s) or other transferee(s) of a Residential Unit(s) (the "**Transferee"***),* and Transferee assumes same, in accordance with the provisions of this Agreement, in that event, Licensee shall be deemed to have assigned such Sub-license(s) (hereinafter defined) for the Storage Bin(s) to the Licensor. Thereafter, Licensor shall be the direct licensor of the Transferee, and be bound by the Sub-license Agreement between the Licensee and the Sub-licensee, or his predecessor.

(b) The Licensee may sub-license one or more individual Storage Bins to a purchaser or other transferee of a Residential Unit(s) at any time, in the form annexed hereto as Exhibit A (a "**Sub-license**"). Upon such Sub-license, the Licensee may assign such Sub-license to the Licensor, which the Licensor shall accept, whereupon the Licensor shall step into the position of Licensee and become the direct licensor of the subject Storage Bin(s), and the

Licensee shall no longer be liable as Licensee under this Master License Agreement as to the subject Storage Bin(s) nor as Sub-licensor under the Sub-license Agreement.

(c) If Licensee desires to lease the Residential Unit(s), then Licensee may sub-license this License to the tenant to whom the Residential Unit(s) is/are being leased. Upon execution of a sub-license of this Agreement, Licensee shall provide a fully executed original counterpart of same to Licensor, in form and substance acceptable to Licensor, within ten (10) days of execution thereof.

(d) Upon the Licensee having sub-licensed all of the individual Storage Bins, this License shall automatically terminate, whereupon, the Licensor shall be deemed to have assumed all of the Sub-license Agreements as the Sub-licensor thereunder, if they have not already been previously assigned to it, and there shall be a direct licensor-licensee relationship between the Licensor and Sub-licensees. All terms and conditions of the Sub-license agreement shall remain the same and shall control.

5. *Property in Bin Space Upon Expiration of Term.* In the event this Agreement expires or is terminated pursuant to the terms herein, Licensee shall vacate and surrender possession of the Bin Space, broom clean, in the condition as existed on the date of commencement of this Agreement. Licensee's obligations to observe or perform this covenant shall survive the expiration or other termination of this Agreement. Any property not removed from the Bin Space at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's sole cost and expense, in either case without any liability by Licensor to Licensee or anyone else.

6. *Indemnity.* Licensee, Licensee's assigns and sublessees shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by Licensee's negligence or failure of Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Licensee, any Permitted Users or of any other person using the Bin Space, or by Licensor, its agents, servants or contractors when acting as agent for the Licensee. The provisions of this Paragraph 6 shall survive the expiration or other termination of, or the sub-license of, this Agreement.

7. *Risk of Loss.* Neither Licensor nor its agents or employees shall be liable for any damage to or theft or other loss of any property stored in the Bin Space, unless due to the negligence of Licensor. Licensee understands that Licensor intends to leave the storage area in which the Bin Space is located unattended and accordingly, Licensee stores property in the Bin Space at Licensee's own risk, including, without limitation, the possibility that the Bin Space may be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall Licensor or its agents be deemed to act as Licensee's bailee.

8. *As Is.* Licensee represents that it has made a thorough inspection of the Bin Space and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the Term of this Agreement, take good care of the Bin Space. Licensee shall repair all damage

9. *Services by Licensor.* Licensor shall not provide any services to the Bin Space or to Licensee in connection with storage of property in the Bin Space, except lighting on the floor on which the Bin Space is located and elevator service to that floor and periodic cleaning of the

storage area in which the Bin Space is located. Licensee shall keep the interior of the Bin Space clean.

10. *Changes to Be in Writing.* This Agreement may not be modified except by a writing signed by the party to be charged.

11. *Licensee's Default.* If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor under the Declaration or otherwise, Licensor may (i) deny access to the Bin Spaces until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

12. *Compliance with Laws.* Licensee shall, at all times, use the Bin Spaces and permit the Bin Spaces to be used only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin Spaces. Licensee, its servants, employees, agents, visitors and licensees shall observe faithfully and comply strictly with the Condominium Documents and any and all rules and regulations for the Building as Licensor, the Board of Managers, or either of their agents may from time to time adopt.

13. *Access in Emergency.* Licensor or its agents shall have the right (but not the obligation), without liability to Licensor, to open the Bin Space in an emergency in order to protect the health and safety of Residential Section residents and their property, and at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Bin Space(s) or any portion of the Residential Section, all without any liability to Licensee whatsoever as a result thereof.

14. *No Waiver.* The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition or this Agreement or of any of the rules or regulations adopted by Licensor, shall not be deemed a waiver of such right and shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effort of an original violation.

15. *Assignment.* Notwithstanding anything to the contrary set forth herein, Licensee may assign this Agreement at any time.

16. *Definitions.* All capitalized terms used in this Agreement and not defined herein shall have the same meanings ascribed to them in the Declaration.

17. *Successors and Assigns.* This Agreement shall inure to the benefit of and be Binding upon the heirs, executors, successors and assigns of Licensor and Licensee.

IN WITNESS WHEREOF the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:
RESIDENTIAL BOARD OF MANAGERS
807 MANHATTAN AVENUE CONDOMINIUM

By: _____
Name:
Title:

LICENSEE:
807 MANHATTAN AVENUE LLC

By: _____
Name:
Title:

STORAGE BIN SUB-LICENSE AGREEMENT

AGREEMENT made this day of , 202_, (this "**Agreement**") by and between the 807 Manhattan Avenue LLC ("**Sub-Licensor**"), having an office at 45 Main Street, Suite 800, Brooklyn, NY 11202 and _____, having an address at 807 Manhattan Avenue, Unit ___, Brooklyn, New York 11201(the "**Sub-Licensee**").

R E C I T A L S

WHEREAS, pursuant to the condominium declaration and by-laws for the condominium known as 807 Manhattan Avenue Condominium (the "**Condominium"** and **"Licensor"**) dated _____, recorded in the Office of the City Register, Kings County, on _____ in CFRN _____ as same may be amended from time to time (collectively the "**Declaration**") for the property having the Street address 807 Manhattan Avenue, Brooklyn, New York 11222 (the "**Property**") the Property was submitted to the NYS Condominium Act; and

WHEREAS, in accordance with the terms of the Declaration, Sub-Licensor holds a Master License to the "Storage Bins" as such term is more particularly defined and described in the Declaration; and

WHEREAS, Sub-Licensee owns or simultaneously with the execution of this Agreement is acquiring a Residential Unit (the "**Residential Unit**" [more than one Residential Unit collectively, the "**Residential Units**"]) in the Condominium; and

WHEREAS, Sub-Licensee desires the right to the exclusive use of the space in Storage Bin No. ___ and the Storage Bin itself, the size of which is [5'2" x 4'9"][5'6" x 2'10"][6' x 5'8"][4'10" x 3'][5' x 4'10"][3'6" x 3'][4' x 3'2"][3' x 3'][5' x 3'] (delete as applicable) (collectively, the "**Bin Space**") on the terms and conditions of this Agreement; and

WHEREAS, capitalized terms used in this License Agreement and not defined herein shall have the meanings given to them in the Declaration.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. *License Fee.* Sub-Licensee shall pay to Sub-Licensor monthly, on the 1st day of each month during the Term of this Agreement, a license fee (the "**License Fee**") as set forth in Schedule A-1 annexed hereto per month. The License Fee shall be in the amount of $___ per month, commencing on the first day of the month following the date of this License and continuing through _____, 20__. Thereafter Licensor may increase the License Fee annually, in its sole discretion.

2. *Use of Bin Space:* Access *to Bin Space.*

(a) Subject to and in accordance with the terms and conditions of this Agreement, Sub-Licensor hereby grants to Sub-Licensee, its successors and assigns and Sub-Licensee hereby accepts from Sub-Licensor, an exclusive license to use the Bin Space during the Term hereof (the" **License***")* for storage of Sub-Licensee's personal property and the property of permitted occupants of the Unit (collectively, the *"***Permitted Users***").*

(b) Sub-Licensee shall not store or permit anyone else to store in the Bin Space any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay, or (iv) valuable items.

(c) Sub-Licensee shall not (i) interfere with the use of Storage Bins by any other Unit Owner or resident of the Condominium, (ii) store any property outside of the Bin Space, (iii) allow any other person to use the Bin Space except in accordance with the terms of this Agreement, or (i) deface or damage the Bin Space, the Building or Licensor's equipment. Notwithstanding anything to the contrary contained in this Agreement, Sub-Licensee may install racks, shelving or other facilities within the Bin Space, provided that such installation does not damage the structural integrity of Sub-Licensee's Storage Bin or any other Storage Bin. Sub-Licensee shall, however, at Sub-Licensor's request and at Sub-Licensee's sole expense, remove any such installation upon the expiration of the Term or earlier termination of this Agreement.

(d) Sub-Licensee shall keep the Bin Space locked with a lock procured by Sub-Licensee at Sub-Licensee's expense, and shall provide Sub-Licensor with a duplicate key. Sub-Licensee acknowledges that it is Sub-Licensee's responsibility to safeguard the keys and Sub-Licensee is fully responsible for whoever has possession of the keys. Sub-Licensor shall be entitled to use the duplicate key in its possession to access the Bin Space only in the case of emergency as described below, or to make repairs that Sub-Licensor in its reasonable judgment, deems necessary.

(e) Sub-Licensee shall have access to the Bin Space 24 hours a day, seven days a week, subject to the right of Sub-Licensor, in its reasonable judgment, to restrict late night access for security reasons.

3. *Term.* The term of this License (the *"***Term***")* shall commence on the date first set forth above, and shall continue until the earlier of (i) the date Sub-Licensor no longer owns a Residential Unit in the Condominium, subject to the provisions of Section 4 of this Agreement, (ii) the date on which Sub-Licensee gives Sub-Licensor written notice of termination, or (iii) the date this Agreement is terminated by Sub-Licensor due to Sub-Licensee's default or otherwise, as provided herein.

4. *Sale or Lease of Residential Unit; Assignment/Sublicense of this Agreement*.

(a) The License granted hereunder shall automatically terminate on the date that Sub-Licensee no longer owns the Residential Unit (or any of the Residential Units, as applicable), unless, however, Sub-Licensee assigns this License to the approved purchaser or other transferee of the Residential Unit (or any of the Residential Units, as applicable) (the *"***Transferee***"),* and Transferee assumes same, in accordance with the provisions of this Agreement.

(b) Specifically, if Licensor has waived its right of first refusal with respect to the sale or other conveyance of the Residential Unit (or Residential Units, as applicable), or if Licensor has exercised its right of first refusal, in either case as set forth in the By-laws of the Condominium, and if the assignment of this License to the purchaser was a condition of the applicable sale or other conveyance of the Residential Unit(s), then Sub-Licensee may assign this License to the Transferee as part of the sale or other conveyance. Upon execution of an assignment and assumption of this Agreement, Sub-Licensee shall provide a fully executed original counterpart of same to Sub-Licensor, in form and substance acceptable to Sub-Licensor, within ten (10) days of execution thereof.

(c) If Sub-Licensee desires to lease the Residential Unit(s), and if Licensor has waived its right of first refusal (or has exercised such right) in connection with the proposed lease, then Sub-Licensee may sub-license this License to the tenant to whom the Residential Unit(s) is/are being leased. Upon execution of a sub-license of this Agreement, Sub-Licensee shall provide a fully executed original counterpart of same to Sub-Licensor, in form and substance acceptable to Sub-Licensor, within ten (10) days of execution thereof.

5. *Property in Bin Space Upon Expiration of Term.* In the event this Agreement expires or is terminated, Sub-Licensee shall vacate and surrender possession of the Bin Space, broom clean, in the condition as existed on the date of commencement of this Agreement. Sub-Licensee's obligations to observe or perform this covenant shall survive the expiration or other termination of this Agreement. Any property not removed from the Bin Space at the expiration or other termination of this Agreement shall be considered abandoned and may, at Sub-Licensor's option, be retained as Sub-Licensor's property or disposed of at Sub-Licensee's sole cost and expense, in either case without any liability by Sub-Licensor to Sub-Licensee or anyone else.

6. *Indemnity.* To the fullest extent permitted by applicable law, Sub-Licensee shall indemnify and save harmless Licensor, Sub-Licensor and their agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by Sub-Licensee's negligence or failure of Sub-Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Sub-Licensee, any Permitted Users or of any other person using the Bin Space, or by Licensor, Sub-Licensor, their agents, servants or contractors when acting as agent for the Sub-Licensee. The provisions of this Paragraph 6 shall survive the expiration or other termination of, or the sub-license of, this Agreement.

7. *Risk of Loss.* Neither Licensor, Sub-Licensor nor their agents or employees shall be liable for any damage to or theft or other loss of any property stored in the Bin Space, unless due to the negligence of Sub-Licensor. Sub-Licensee understands that Licensor and Sub-Licensor intend to leave the storage area in which the Bin Space is located unattended and accordingly, Sub-Licensee stores property in the Bin Space at Sub-Licensee's own risk, including, without limitation, the possibility that the Bin Space may be damp or have water infiltration. Licensor and Sub-Licensor undertake only to act as a licensor, and under no circumstances shall Sub-Licensor or its agents be deemed to act as Sub-Licensee's bailee.

8. *As Is.* Sub-Licensee represents that it has made a thorough inspection of the Bin Space and agrees to take same in its condition "as is" as of the commencement of this Agreement. Sub-Licensee shall, throughout the Term of this Agreement, take good care of the Bin Space. Sub-Licensee shall repair all damage.

9. *Services by Licensor.* Licensor and Sub-Licensor shall not provide any services to the Bin Space or to Sub-Licensee in connection with storage of property in the Bin Space, except lighting on the floor on which the Bin Space is located and elevator service to that floor and periodic cleaning of the storage area in which the Bin Space is located. Sub-Licensee shall keep the interior of the Bin Space clean.

10. *Changes to Be in Writing.* This Agreement may not be modified except by a writing signed by the party to be charged.

11. *Sub-Licensee's Default.* If Sub-Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Sub-Licensor under the Declaration or otherwise, Sub-Licensor may (i) deny access to the Bin Space until Sub-Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Sub-Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

12. *Compliance with Laws.* Sub-Licensee shall, at all times, use the Bin Space and permit the Bin Space to be used only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin Space. Sub-Licensee, its servants, employees, agents, visitors and Sub-Licensees shall observe faithfully and comply strictly with the Condominium Documents and any and all rules and regulations for the Residential Section as Sub-Licensor, the Residential Board, or either of their agents may from time to time adopt.

13. *Access **in** Emergency.* and Sub-Licensor or their agents shall have the right (but not the obligation), without liability to Licensor or Sub-Licensor, to open the Bin Space in an emergency in order to protect the health and safety of Residential Section residents and their property, and at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor or Sub-Licensor shall deem necessary or desirable to the Bin Space or any portion of the Building, all without any liability to Sub-Licensee whatsoever as a result thereof.

14. *No Waiver.* The failure of Licensor or Sub-Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Sub-Licensor, shall not be deemed a waiver of such right and shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effort of an original violation.

15. *Assignment.* Notwithstanding anything to the contrary set forth herein, in the event Sub-Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor or Sub-Licensor to effectuate such assignment, including, without limitation, the obligation of the assignee to enter into a new license agreement directly with Licensor or Sub-Licensor, as the case may be. Sub-Licensor shall have the absolute right to assign this Agreement to any party including, without limitation, to Licensor, in which event such assignee shall assume the responsibilities of Sub-Licensor hereunder and Sub-Licensee shall thereupon attorn to such assignee, However, neither the Licensor nor the Sub-licensor may impose any requirement on the assignment that would impose substantive obligations on or adversely affect the substantive rights of the Sub-licensee under this Sub-License Agreement.

16. *Definitions.* All capitalized tem1s used in this Agreement and not defined herein shall have the same meanings ascribed to them in the Declaration.

17. *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of Sub-Licensor and Sub-Licensee.

[SIGNATURE PAGE FOLLOWS THIS PAGE.]

IN WITNESS WHEREOF the undersigned have executed this Agreement as of the day and year first above written.

SUB-**LICENSOR:**
RESIDENTIAL BOARD OF MANAGERS OF
807 MANHATTAN AVENUE CONDOMINIUM

By: _____
Name:
Title:

SUB-**LICENSEE:**

_____

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EXHIBIT H TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

SPECIAL COUNSEL OPINION OF ASSESSED VALUATION

LAW OFFICES
LAWRENCE J. BERGER, P. C.
200 MADISON AVENUE
SUITE 1902
NEW YORK, N.Y. 10016
(212) 532-0222
FAX (212) 532-0224

LAWRENCE J. BERGER
STEVEN E. RESNICK
HARVEY I. SHIFF

SETH J. GOLDBERG
LESLIE R. PERLMAN
JEREMY A. FRIEDMAN

June 4, 2019

807 Manhattan Avenue, LLC
c/o SLATE Property Group
38 East 29th Street, 9th Floor
New York, NY 10016

Re: Real Estate Tax Projection Opinion Letter
1080 Lorimer Street
Block: 2596 Lot: 1002, Brooklyn

Dear Sir:

You have requested us to project the real estate tax liability of the above referenced premises for the fiscal year commencing July 1, 2020 through June 30, 2021 after the proposed rehabilitation of the building is completed and the condominium declaration has been filed.

It has been the practice of the Property Division of the Department of Finance of the City of New York ("DOF") to increase the assessed valuation of newly constructed buildings after construction has been completed. While there is a formula that has been utilized by DOF in reassessing such properties in the past, it has not been employed consistently and it is therefore not possible to estimate or determine the post-rehabilitation assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon current policies and practices of that department and upon analysis of comparable neighboring properties as presently assessed per square foot of total building area.

These estimates assume that the assessed valuation will be increased solely due to the rehabilitation being completed by the Sponsor. All prospective purchasers are advised that although the following estimates of the assessed valuation upon conversion of this property to condominium ownership are good-faith estimates, such assessed valuation, when actually made, may be less or greater than as estimated below.

You have advised us of the following facts, and made the following representations:

1. The subject property (hereinafter, the "Premises") was built in or around 1954 as the Greenpoint Savings Bank. The Premises is located within the Greenpoint Historic District. Accordingly, Landmarks Preservation Commission (LPC) review and approval of the residential conversion was required and obtained. The site was originally identified on DOF Tax Maps as Block: 2596, Lot: 12, Brooklyn. On October 12, 2017, the site was apportioned into two (2) condominium tax lots 1001 & 1002[1]. According to DOF records, lot 1001 consists of 11,000 net square feet and lot 1002 consists of 29,000 net square feet. Both tax lots 1001 and 1002 are currently classified in Building Class RB (Condominium Office Space). *The projections set forth herein only apply to tax lot 1002 (hereinafter "Subject Property).*

2. According to DOF records in current tax year 2019/20, the Subject Property consists of 3 stories, 40,000 square feet and categorized by DOF in Building Class O6[2] (Office with Commercial 7-19 stories).

3. Renovations commenced in August, 2018 pursuant to permit #321197218-01-AL. The Subject Property is being converted from a 3-story office building to a 4-story residential condominium builing. Renovations are anticipated to be completed in on or about April, 2020. Upon completion of renovations, the Subject Property will contain twenty-nine (29) residential units;

4. There will be storage units in the cellar which will be denominated as limited common elements and sold as licenses;

5. Upon completion of renovations, DOF will recalculate gross square footage based upon floor plans to be filed with DOF Property Division – Tax Map Office. The gross square footage reflected in those floor plans is expected to approximate 63,536 gross sf, which includes 204 gross sf. of unit owner storage.

6. No application will be filed with the Department of Housing, Preservation and Development of the City of New York ("HPD") for any real estate tax abatement benefits which may be available pursuant to the Real Property Tax Law.

[1] Tax Lot 1001 encompasses the eastern portion of the property with frontage on Manhattan Avenue and Calyer Street and tax lot 1002 encompasses western portion of the property with frontage on Lorimer Street and Calyer Street.
[2] The Building Classification prior to conversion appears to be in error.

ASSESSED VALUATION

The 2019/2020 Final Assessed Valuation for the property is as follows:

	Land	Total	Tax Class
Actual	$ 225,377	$ 2,184,445	4
Transitional	$ 225,377	$ 1,758,132	

There are three recognized appraisal methods which are employed by DOF to determine the full market value of income producing real property. These methods are the original cost method, the capitalization of income approach, and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a highly significant indicator of value with respect to new buildings. Relevant data used in the cost method include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, and construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation (see New York State Real Property Tax Law ("RPTL") § 581, and Real Property Law § 339-y).

Since tax year 1982/1983, RPTL § 1805 (3) has mandated that increases in assessed valuation due to appreciation in value must be phased in over a five-year period, resulting in a "transitional assessment". However, the statute requires DOF to include all increases in value due to physical changes (new construction, renovation, rehabilitation, or addition of square footage to existing structures) directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five-year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the transitional or actual values (hereafter, sometimes "taxable assessed valuation").

In arriving at the assessed valuation for each unit in the condominium, the building is first assessed as an entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium declaration has been recorded and the floor plans are filed with the office of the City Register. The apportionment may be based upon the proportion that the common interest percentage for each residential unit bears to the total common interest percentage of all of the residential units. However, the methodology employed by the New York City Department of Finance (hereinafter, "DOF") is uncertain. DOF may apportion based upon projected offering prices presented in the offering plan, actual prices paid, square footage, taking into account extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular units, or a combination of methods (hereinafter, "Proportionate Valuation").

You have advised that renovations are anticipated to be completed on all units on or about April, 2020. **Since the assessment for fiscal year 2019/20 was made as of January 5, 2019, (the "tax status date," New York City Charter §1507), the assessment for tax year 2019/2020 will be an interim valuation reflecting partial completion of renovations. Additionally, since the assessment for fiscal year 2020/21 will made as of January 5, 2020, the assessment for tax year 2020/2021 will also reflect an interim valuation reflecting partial completion of renovations. The full assessment reflecting the new construction of the premises will not be imposed until tax year 2021/2022, assuming construction is complete prior to January 5, 2021.** If construction is delayed for any reason, it is possible that the projected assessed valuations may be somewhat lower than as estimated herein.

Analysis and review of tentative 2019/20 valuations of comparable buildings in the vicinity of the subject premises justifies a full assessed valuation for the residential portion of the project for tax year 2021/2022, (including "land" and "building") of $ 7,306,640, or approximately $115.00 per square foot of gross building area (63,536 sf.).

It is anticipated that an interim valuation will be applied to the Subject Property concerning tax year 2020/2021. Based upon the construction schedule provided by Sponsor, it is anticipated DOF will estimate an assessed value based upon approximately 80% completion of renovations, or a taxable assessed valuation of $5,900,000.

TAX LIABILITY

Real property taxes are payable semi-annually, on July 1 and January 1 (the City operates on a fiscal year commencing July 1 and ending June 30).

The tax bills for tax year 2018/19 were finalized at 12.612% for residential properties (tax class 2, 2A, 2B and 2C) and 10.514% for commercial properties (tax class 4). For purposes of the ensuing projections, the following *estimated* tax rates have been utilized:

Estimated Tax Rates

Tax Year	Residential (Class 2)	Commercial (Class 4)
2019/2020	12.990 % (est.)	10.829% (est.)
2020/2021	13.380 % (est.)	
2021/2022	13.781 % (est.)	

2019/20 Tax Year
(Interim Valuation Before Completion of Renovations)

Tentative Actual Assessed Valuation:	$ 2,184,445
Tentative Transitional (Taxable) Assessed Valuation:	$ 1,758,132
Taxes Payable @ est. 10.829%[3]:	$ 190,388

The tax liability of a particular unit, assuming (a) the overall Actual and Transitional Assessed Valuation as stated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as stated above, may be stated as follows for fiscal year July 1, 2019 through June 30, 2020:

Est. tax liability for individual residential unit = $190,388 x Proportionate Valuation

2020/21 Tax Year
(Interim Valuation Before Completion of Renovations)
(First Fiscal Period of Condominium)

Est. Taxable Assessed Valuation:	$ 5,900,000
Taxes Payable @ est. 13.380%:	$ 789,420

The tax liability of a particular unit, assuming (a) the overall Taxable Assessed Valuation as stated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as stated above, may be stated as follows for fiscal year July 1, 2020 through June 30, 2021:

Est. tax liability for individual residential unit = $789,420 x Proportionate Valuation

[3] The Subject Property is classified in Tax Class 4 (commercial) in tax year 2019/20. It is anticipated that DOF will reclassify the Subject Property to Tax Class 2 (residential, 4+ units) in tax year 2020/21.

NOTE: **The assessed valuations for the tax years 2019/20 and first fiscal period 2020/21 represent an interim valuation which does not reflect completed renovations. The assessed valuation reflecting completed renovations will not be made until tax year 2021/2022, assuming construction is substantially completed by January 5, 2021.**

2021/2022 Tax Year
(Estimated Valuation After Completion of Renovations)

Est. Taxable Assessed Valuation:	$ 7,306,640
Est. Taxes Payable @ est. 13.781%:	$ 1,006,928

The tax liability of a particular unit, assuming (a) the overall Taxable Assessed Valuation as estimated above; and (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as estimated above may be estimated as follows for fiscal year July 1, 2021 through June 30, 2022:

Est. tax liability for individual residential unit = $1,006,928 x Proportionate Valuation

ADDITIONAL ABATEMENT AND EXEMPTION BENEFITS AVAILABLE TO ELIGIBLE UNIT OWNERS

FOR INFORMATIONAL PURPOSES ONLY
CURRENT STATUTE EXPIRES ON JUNE 30, 2019

Since its enactment in 1996, RPTL § 467-a (Coop/Condo Abatement) has provided partial tax abatement to owners of residential units held in cooperative or condominium ownership, currently to the extent of seventeen and one-half percent (17.5%) of the net property taxes due on eligible dwelling units with an average assessed valuation greater than $60,000. The statute contains a sunset provision which presently terminates benefits on June 30, 2019. In order to qualify for this Coop/Condo Abatement, the following requirements must be met:

- The co-op or condo unit must be the owner's primary residence.
- The unit must be purchased on or before January 5 to qualify for the abatement for the upcoming tax year.
- Condo owners cannot own more than three residential units in any one development and one of the units must be the owner's primary residence.
- Property must be classified as a Class 2 property.

- Units owned by a business (LLC) are not eligible.
- Units held by sponsors or their successors in interest are not eligible.
- Units owned by a trust are eligible only if the unit is the primary residence of the beneficiary of the trust, trustee, or life estate holder.

The board of managers must have filed a complete application, for the entire premises, with the Commissioner of DOF by February 15th immediately preceding the July 1st to June 30th fiscal tax year. The burden of proof is on the applicant to show that the requirements for granting an abatement have been met.

Taxes payable during tax year 2021/2022 by those units which qualify for the foregoing additional tax benefits, as described *supra*, are projected as follows:

Est. tax liability for individual residential unit eligible for Co-op/Condo Abatement = $ 1,006,928 less 17.5%, or $830,716 x Proportionate Valuation

SPECIAL RISK: THE CURRENT VERSION OF RPTL 467-A IS SET TO SUNSET ON JUNE 30, 2019. THERE IS NO GUARANTY THAT THIS PROVISION WILL BE RENEWED OR THAT THE BENEFIT WILL NOT BE REDUCED AS IT RELATES TO TAX YEAR 2021/22.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained in the plan and offer no warranties.

The above projections do not take into account any future increases in the assessed valuation of the property or of any real estate tax rate. The opinions expressed above are based on our interpretation of the RPTL, the Administrative Code of the City of New York, and the applicable rules and regulations of DOF in effect as of the date hereof. While we believe our opinions are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of the DOF upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

The foregoing analysis is based upon our experience with DOF and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. This would necessitate commencement of real

property tax review proceedings at the Tax Commission or Supreme Court[4] level to bring the assessment in line with the estimates presented herein.

SPECIAL RISK: THE CURRENT VERSION OF RPTL 467-A IS SET TO SUNSET ON JUNE 30, 2019. THERE IS NO GUARANTY THAT THIS PROVISION WILL BE RENEWED OR THAT THE BENEFIT WILL NOT BE REDUCED AS IT RELATES TO TAX YEAR 2022/23.

SPECIAL RISK: THERE IS PENDING LITIGATION REGARDING THE CURRENT TAX SYSTEM: *TAX EQUITY NOW LLC VS. CITY OF NEW YORK CITY DEPARTMENT OF FINANCE; STATE OF NEW YORK; AND NEW YORK OFFICE OF REAL PROPERTY TAX SERVICES, SUPREME COURT, NEW YORK COUNTY, NY INDEX NO. 153759/2017.* PLAINTIFF IS CLAIMING THAT THE PROPERTY TAX SYSTEM IN THE CITY OF NEW YORK IS CAUSING UNFAIRNESS WITH RESPECT TO CERTAIN ASSESSMENTS DUE TO THE MAXIMUM INCREASE CAPS APPLICABLE TO SOME PROPERTY TYPES BUT NOT OTHERS.

IF PLAINTIFF IS SUCCESSFUL, THE CURRENT RATIO OF ASSESSED VALUE TO MARKET VALUE (45%) FOR COMMERCIAL PROPERTIES AND RESIDENTIAL PROPERTIES WITH 4 OR MORE UNITS MAY BE REDUCED. THIS WILL CAUSE SOME OR ALL ASSESSMENTS TO BE RECALCULATED. IN THE EVENT THAT THIS OCCURS, THIS LETTER WILL NEED TO BE REVISED TO REFLECT THE RATIO IN AFFECT AS OF THAT DATE.

We hereby consent to the inclusion of this letter in the Offering Plan to be filed with the office of the Attorney General of the State of New York.

Very truly yours,

Lawrence J. Berger, P.C.

Lawrence J. Berger, P.C.

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[4] The current New York City Tax Commission deadline to file a tax protest is March 1st, annually. The current deadline to file a Real Property Tax Law Article 7 petition ("Article 7 Petition") is currently October 24, annually. A tax protest must be timely filed in order for an Article 7 Petition to be deemed valid. *NYC Charter § 163(b) & NYC Charter § 1510.*

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EXHIBIT I TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

FORM OF PROFESSIONAL OPINION OF ARCHITECT OR ENGINEER FOR PCO

[Form of Professional Opinion Letter for PCO Escrow]

[LETTERHEAD OF ARCHITECT OR ENGINEER OF RECORD]

[Date]

Abrams, Fensterman, Fensterman,
Eisman, Formato, Ferrara, Wolf & Carone, LLP
1 MetroTech Center-Suite 1701
Brooklyn, NY 11201
Attn: Lawrence F. DiGiovanna, Esq.

Re: Professional Opinion Letter Regarding Sponsor's Costs to Obtain a Permanent Certificate for 807 Manhattan Avenue Condominium ("Condominium"; Offering Plan Filing No.: [ ]

Dear Sirs:

The undersigned is the [registered architect/professional engineer] of record with respect to the development of the Condominium. 807 Manhattan Avenue LLC ("Sponsor") has retained the undersigned to supply this professional opinion letter regarding the remaining costs necessary for Sponsor to obtain a permanent certificate of occupancy ("PCO") from [the Department of Buildings of the City of New York for the Condominium.

The undersigned hereby represents and warrants that it is a [registered architect/professional engineer/[professional corporation/limited liability partnership/professional limited liability company] of registered architects/professional engineers] duly licensed and in good standing in the State of New York. The undersigned acknowledges that he/she/it is responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in 13 NYCRR Part 20 insofar as they are applicable to this professional opinion letter.

This professional opinion letter is being made specifically to be relied upon by (i) Abrams, Fensterman, Fensterman, Eisman, Formato, Ferraro, Wolf & Carone, LLP as escrow agent ("Escrow Agent"), (ii) offerees and purchasers under Sponsor's Offering Plan; and (iii) each of their respective counsel.

FOUNDATION FOR PROFESSIONAL OPINION

In rendering this professional opinion letter, the undersigned has examined, inspected and considered the following:

1. the current state of construction of the Condominium, including all major building systems and components;

2. all documents related to the costs of outstanding construction work or sign-offs necessary to complete construction of the Condominium, including without limitation, the New York City Department of Buildings' "B-Scan List of Required Items"/relevant documents available from local authorities;

3. all documents related to all soft costs necessary to procure the PCO for the Condominium;

4. all documents setting forth an estimated date for the procurement of the PCO for the Condominium;

5. all known mechanics' or materialmens' liens encumbering any or all of Sponsor's interests in the Condominium;

6. all other reasonable and customary costs and fees likely to be incurred by Sponsor, including without limitation, all expeditors' fees and Department of Buildings fees, to procure a PCO from the Department of Buildings covering the entire Condominium; and

7. all other documents or instruments the undersigned deems necessary or appropriate for rendering this certified professional opinion letter.

PROFESSIONAL OPINION

Based on the undersigned's examination, inspection and consideration of the foregoing, it is the undersigned's professional opinion that:

1. $_____is reasonably necessary to cover all work and costs associated with obtaining a PCO for the entire Condominium; and

2. The time reasonably required to complete all outstanding work and obtain a PCO should be no more than _____( ) months from the date of this certified professional opinion later, which is_____(__) months from the date of the issuance of the initial temporary certificate of occupancy; however, the undersigned does not represent or guaranty that sponsor will procure a PCO within this timeframe.

This professional opinion is limited to the matters stated herein. This professional opinion is not intended as a guarantee or warranty of the physical condition of the Condominium or that construction and ministerial acts will be carried out in the time specified.

This professional opinion letter is being made specifically to be relied upon by (i) Abrams, Fensterman, Fensterman, Eisman, Formato, Ferraro, Wolf & Carone, LLP, as escrow agent, ("Escrow Agent"), (ii) all offerees and purchasers under Sponsor's Offering Plan; and (iii) each of their respective counsel.

CERTIFICATION

In addition to the professional opinions stated herein, the undersigned certifies that:

(i) this professional opinion letter affords Escrow Agent an adequate basis upon which to release that portion of purchasers' deposits and funds which are in excess of the amount set forth in Professional Opinion No. 1 above, to Sponsor prior to the procurement of the PCO for the Condominium;

(ii) the amount set forth in Professional Opinion No. 1 above is an amount which represents all reasonable costs and work necessary for Sponsor to procure a PCO for the entire Condominium;

(iii) the undersigned is not owned or controlled by and has no beneficial interest in Sponsor; and

(iv) the undersigned's compensation for preparing this professional opinion letter is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering.

Yours faithfully,
[COMPANY NAME, P.L.L.C.],
a [New York] professional limited liability company

By: _____ Name of Professional, [P.E./R.A.] Member

[AFFIXATION OF PROFESSIONAL SEAL OF REGISTERED ARCHITECT OR PROFESSIONAL ENGINEER]

ACKNOWLEDGMENT

STATE OF NEW YORK)

COUNTY OF_____) ss.:

On the___day of_____in the year____, before me personally appeared

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

_____
Notary Public

EXHIBIT J TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

REAL PROPERTY LAW SECTION 339-kk

NYS Real Property Law § 339-kk. Rents

(a) For the purposes of this section, “non-occupying owner” shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

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

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

EXHIBIT K TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

COPY OF NYC LOCAL LAW 1 OF 2004

REGARDING LEAD-BASED PAINT

LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2004

No. 1

Introduced by Council Members Perkins, Lopez, Quinn, Reed, Boyland, Rivera, Brewer, Jackson, Liu, Yassky, Barron, Reyna, Clarke, Sanders Jr., Recchia Jr., Vann, Katz, Gerson, Gioia, Baez, DeBlasio, Serrano, Foster, Monserrate, Jennings Jr., Seabrook, Addabbo Jr., Moskowitz, Koppell, Martinez, Gonzalez, Espada Jr., Gentile, Avella, Comrie Jr., Weprin, Nelson, James, the Speaker (Council Member Miller) and the Public Advocate (Ms. Gotbaum).

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to childhood lead poisoning prevention, including the avoidance and remediation of lead-based paint hazards in housing and day care facilities, the repeal of local law number 38 for the year 1999 and the repeal of subdivision h of section 27-2013 and section 27-2126 of such code.

Be it enacted by the Council as follows:

Section 1. This local law shall be known and may be cited as the New York City Childhood Lead Poisoning Prevention Act of 2003.

§2. Local law number 38 for the year 1999 is hereby REPEALED.

§3. Local Law number 1 for the year 1982 is hereby REPEALED.

§4. Local law number 50 for the year 1972 is hereby REPEALED.

§5. Subchapter 2 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 14 to read as follows:

Article 14
Lead Poisoning Prevention and Control

§27-2056.1 Statement of Findings and Purposes.
§27-2056.2 Definitions.
§27-2056.3 Owners' Responsibility to Remediate.
§27-2056.4 Owners' Responsibility to Notify Occupants and Investigate.
§27-2056.5 Presumption.
§27-2056.6 Violation in a Dwelling Unit.
§27-2056.7 Audit and Inspection by Department following Commissioner's order to abate.
§27-2056.8 Violation in a Dwelling Unit Upon Turnover.
§27-2056.9 Department Inspections.
§27-2056.10 Department Implementation and Enforcement.
§27-2056.11 Work Practices.
§27-2056.12 Reporting.
§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene.
§27-2056.14 Request to the Department from the Department of Health and Mental Hygiene to Execute an Order Pursuant to § 17-147 of the Administrative Code.
§27-2056.15 Waiver of Benefit Void.
§27-2056.16 Exemption for Emergency Conditions.
§27-2056.17 Record Keeping Requirements.
§27-2056.18 Application of this article based on age of child.

§27-2056.1 Statement of findings and purposes. The council finds that lead poisoning from paint containing lead is a preventable childhood disease and a public health crisis. The council further finds that the hazard in

dwellings that may occur from paint containing lead is subject to many factors, such as the age of a building and its maintenance. The Council also finds and declares that City government must focus on primary prevention as the essential tool to combat childhood lead poisoning and to achieve the goal of preventing children from suffering the adverse health and other effects of exposure to lead-based paint. The pursuit of primary prevention, which means eliminating lead hazards before children are exposed, has been recommended by the United States Centers for Disease Control and Prevention and promoted by leading experts in the field as a critical course of action to protect the health of young children. The Council, therefore, declares that resources must be directed to primary prevention, including identifying children who are most at risk.

The council recognizes that it cannot legislate a single maintenance standard for all dwellings to eliminate this hazard. Instead, the council by enacting this article makes it the responsibility of every owner of a multiple dwelling to investigate dwelling units for lead-based paint hazards and to address such hazards on a case-by-case basis as the conditions may warrant, taking such actions as are necessary to prevent a child from becoming lead poisoned. Having established this responsibility, the council finds that sufficient information exists to guide owners in making determinations about the existence of lead-based paint hazards. See, e.g., United States environmental protection agency, "Identification of Dangerous Levels of Lead; Final Rule" Federal Register, Vol. 66, No. 4 (January 5, 2001); United States department of housing and urban development, "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997).

The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 5,638 were newly identified with elevated blood lead levels of 10 micrograms per deciliter or above. The New York city department of health and mental hygiene has reported for the year 2001 that among children tested, 653 were newly identified at or above the department's environmental intervention blood lead level, which is a blood lead level equal to or exceeding 20 micrograms per deciliter in a single test or two reported blood lead levels between 15 and 19 micrograms per deciliter at least three months apart, and has also reported an overall incidence of 931 children tested with blood lead levels equal to or exceeding 20 micrograms per deciliter. When a child is identified with environmental intervention blood lead levels, the city is obligated to investigate potential sources of the lead poisoning, incurring the expense of an environmental investigation and often times also incurring the expense of medical treatment and remedial education, if necessary. The council finds that these blood lead levels among New York city children constitute a severe health crisis and has established as its goal the elimination of childhood lead poisoning by the year 2010.

In addition, the department of health and mental hygiene has reported for the year 2001 that only 29% of children in New York city are tested both at age one and age two for the disease of lead poisoning even though the testing of all children at age one and age two is mandatory under state law. The council finds that improved screening among these children is critical since children at these ages are at greatest risk for lead poisoning. The council declares that it is reasonable and necessary to increase the rate of blood-lead testing. This local law requires the department of health and mental hygiene to report to the council on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels.

The council further finds that the administration and enforcement of the City's lead poisoning prevention programs can be better coordinated. While it is intended that the department of housing preservation and development remain the agency responsible for the implementation and enforcement of this article, it is also intended that the department of health and mental hygiene shall have a significant role in the promulgation and interpretation of rules and in the development of necessary procedures pursuant to this article.

§27-2056.2 Definitions. Whenever used in this article the following terms shall have the following meanings:

(1) "Chewable surface" shall mean a protruding interior window sill in a dwelling unit in a multiple dwelling where a child of applicable age resides and which is readily accessible to such child. "Chewable surface" shall also mean any other type of interior edge or protrusion in a dwelling unit in a multiple dwelling, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where an occupant has notified the owner that a child of applicable age who resides in that multiple dwelling has mouthed or chewed such edge or protrusion.

(2) "Common area" shall mean a portion of a multiple dwelling that is not within a dwelling unit and is regularly used by occupants for access to and egress from any dwelling unit within such multiple dwelling.

(3) "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including, but not limited to, rotted or decayed wood, or wood or plaster that has been subject to moisture or disturbance.

(4) "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion and abrade, scrape, or bind when in relative motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

(5) "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

(6) "Lead-based paint hazard" shall mean any condition in a dwelling or dwelling unit that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

(7) "Lead-based paint" shall mean paint or other similar surface coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, a laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

(8) "Lead-contaminated dust" shall mean dust containing lead at a mass per area concentration of 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the department of health and mental hygiene.

(9) "Lead-contaminated dust clearance test" shall mean a test for lead-contaminated dust on floors, window wells, and window sills in a dwelling, that is made in accordance with section 27-2056.11 of this article.

(10) "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

(11) "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead-based paint, or other method approved by the commissioner of health and mental hygiene.

(12) "Rule" or "rules" shall mean a rule or rules promulgated pursuant to section 1043 of the New York city charter.

(13) "Turnover" shall mean the occupancy of a dwelling unit subsequent to the termination of a tenancy and the vacatur by a prior tenant of such dwelling unit.

(14) "Underlying defect" shall mean a physical condition in a dwelling or dwelling unit that is causing or has caused paint to peel or a painted surface to deteriorate or fail, such as a structural or plumbing failure that allows water to intrude into a dwelling or dwelling unit.

(15) "Window" shall mean the non-glass parts of a window, including but not limited to any window sash, window well, window jamb, window sill, or window molding.

§27-2056.3 Owners' Responsibility to Remediate. The existence of a lead-based paint hazard in any multiple dwelling where a child of applicable age resides is hereby declared to constitute a condition dangerous to life and health. An owner shall take action to prevent the reasonably foreseeable occurrence of such a condition and shall expeditiously remediate such condition and any underlying defect, when such underlying defect exists, consistent with the work practices established pursuant to section 27-2056.11 of this article, except where lead-contaminated

dust is present in such multiple dwelling and the department of health and mental hygiene has made a determination pursuant to paragraph six of subdivision c of section 27-2056.10 of this article.

§27-2056.4. Owners' Responsibility to Notify Occupants and to Investigate. a. In any dwelling unit in a multiple dwelling erected prior to January first, nineteen hundred sixty where a child of applicable age resides, and in any dwelling unit in a multiple dwelling erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight where a child of applicable age resides and the owner has actual knowledge of the presence of lead-based paint, and in common areas of such multiple dwellings, the owner shall cause an investigation to be made for peeling paint, chewable surfaces, deteriorated subsurfaces, friction surfaces and impact surfaces. Such investigation shall be undertaken at least once a year and more often if necessary, such as when, in the exercise of reasonable care, an owner knows or should have known of a condition that is reasonably foreseeable to cause a lead-based paint hazard, or an occupant makes a complaint concerning a condition that is likely to cause a lead-based paint hazard or requests an inspection, or the department issues a notice of violation or orders the correction of a violation that is likely to cause a lead-based paint hazard. The owner shall ascertain whether a child resides therein pursuant to the requirements of this section.

b. No occupant in a dwelling unit in such multiple dwelling shall refuse or unreasonably fail to provide accurate and truthful information regarding the residency of a child of applicable age therein, nor shall an occupant refuse access to the owner at a reasonable time and upon reasonable prior notice to any part of the dwelling unit for the purpose of investigation and repair of lead-based paint hazards.

c. All leases offered to tenants or prospective tenants in such multiple dwellings must contain a notice, conspicuously set forth therein, which advises tenants of the obligations of the owner and tenant as set forth in this section. Such notice must be in a manner approved by the department, the content of which shall, at a minimum, be in English and Spanish. The owner of such multiple dwelling shall provide the occupant of such multiple dwelling with the pamphlet described in subdivision b of section 17-179 of this code.

d. (1) The owner of such a multiple dwelling shall provide to an occupant of a dwelling unit at the signing of a lease, including a renewal lease, if any, or upon any agreement to lease, or at the commencement of occupancy if there is no lease, a notice in English and Spanish, the form and content of which shall be approved by the department of health and mental hygiene, inquiring whether a child of applicable age resides or will reside therein. If there is a lease, such notice shall be included in such lease or be attached as a rider to such lease. Such notice shall be completed by the occupant at the time of such signing of a lease, including a renewal lease, if any, or such agreement to lease, or at such commencement of occupancy.

(2) Where an occupant has responded to the notice provided by the owner pursuant to paragraph one of subdivision d of this section by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to subdivision e of this section during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead-contaminated dust.

e. (1) Each year, an owner of a multiple dwelling erected prior to January first, nineteen hundred sixty shall, no earlier than January first and no later than January sixteenth, except as provided for in subparagraph iii of paragraph two of this subdivision, present to the occupant of each dwelling unit in such multiple dwelling a notice inquiring as to whether a child of applicable age resides therein. Such notice, the form and content of which shall be approved by the department of health and mental hygiene, shall be presented as provided for in paragraph two of this subdivision, and shall be in English and Spanish.

(2) The owner may present the notice required by paragraph one of this subdivision by delivering said notice by any one of the following methods:

(i) by first class mail, addressed to the occupant of the dwelling unit;

(ii) by hand delivery to the occupant of the dwelling unit;

(iii) by enclosure with the January rent bill, if such rent bill is delivered after December fifteenth but no later than January sixteenth; or

(iv) by delivering said notice in conjunction with the annual notice required pursuant to section 17-123 of this code and the rules of the department of health and mental hygiene pertaining to the installation of window guards.

(3) (i) Upon receipt of such notice the occupant shall have the responsibility to deliver by February fifteenth of that year, a written response to the owner indicating whether or not a child of applicable age resides therein. If, subsequent to delivery of such notice, the owner does not receive such written response by February fifteenth, and does not otherwise have actual knowledge as to whether a child of applicable age resides therein, then the owner shall at reasonable times and upon reasonable notice inspect that occupant's dwelling unit to ascertain the residency of a child of applicable age and, when necessary, conduct an investigation in order to make that determination. Where, between February sixteenth and March first of that year, the owner has made reasonable attempts to gain access to a dwelling unit to determine if a child of applicable age resides in that dwelling unit and was unable to gain access, the owner shall notify the department of health and mental hygiene of that circumstance.

(ii) Where an occupant has responded to the notice provided by the owner pursuant to subparagraph (i) of this paragraph by indicating that no child of applicable age resides therein, during the period between the date of such response and the delivery of the notice provided by the owner pursuant to this subdivision during the immediately following year the occupant shall have the responsibility to inform the owner of any child of applicable age that comes to reside therein during such period. In the event such occupant fails to inform the owner of such child as required by this paragraph, and the owner does not otherwise have actual knowledge that such child is residing in the dwelling unit, the presumption provided for in section 27-2056.5 of this article shall not apply in any action to recover damages for personal injury caused by contact with or exposure to lead-based paint or lead contaminated dust.

(4) For calendar year two thousand four, an owner shall be deemed to have satisfied the provisions of paragraphs one through three of this subdivision if such owner delivers or has already delivered to each dwelling unit where a child under six years of age resides a notice identical or substantially similar to that required to have been delivered in calendar year two thousand three, (i) in the same manner as was required in calendar year two thousand three, and (ii) during the same periods of time in calendar year two thousand four as such notice was required to have been delivered during calendar year two thousand three.

f. The owner shall inform the occupant in writing of the results of an investigation undertaken pursuant to this section and shall provide a copy of any such report received or generated by an investigation. The owner shall retain a copy of each investigation report, for ten years from the date of such report and such report shall be made available to the department on request and shall be transferred by the owner to the owner's successor in title.

g. Any owner who violates the provisions of this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any violation of this section shall subject the owner to a civil penalty of not more than one thousand five hundred dollars per violation.

h. The department may, at its discretion, perform sample audits to determine compliance with the requirements of this section.

§27-2056.5 Presumption. a. In any multiple dwelling erected prior to January 1, 1960, it shall be presumed that the paint or other similar surface-coating material in any dwelling unit where a child of applicable age resides or in the common areas is lead-based paint. The presumption established by this section may be rebutted by the owner of the dwelling or dwelling unit by submitting to the department a sworn written statement by the owner supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the owner, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or any successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

b. The owner of a dwelling or a dwelling unit may apply to the department to have such dwelling or dwelling unit exempted from the presumption contained in subdivision a of this section when either (i) an inspection for lead-based paint in such dwelling or dwelling unit, performed in accordance with section 745.227 of title 40 of the code of federal regulations, or any successor regulation, has determined that there is no lead-based paint present in such dwelling or dwelling unit, or (ii) substantial alterations have been made to such dwelling or dwelling unit and such alterations have resulted in the removal or permanent covering of all lead-based paint in that dwelling or dwelling unit. The department shall by rule determine the requirements needed to qualify for such an exemption. Sections 27-2056.4, 27-2056.8 and 27-2056.9 of this article shall not apply to any dwelling or dwelling unit that has been granted an exemption by the department.

§27-2056.6 Violation in a Dwelling Unit. The existence of lead-based paint in any dwelling unit in a multiple dwelling where a child of applicable age resides shall constitute a class C immediately hazardous violation if such paint is peeling or is on a deteriorated subsurface.

§27-2056.7 Audit and inspection by department following commissioner's order to abate. a. When the department of health and mental hygiene issues a commissioner's order to abate pursuant to section 173.13 of the New York city health code or a successor rule that addresses lead-based paint hazards in a specific dwelling unit in a multiple dwelling, the department, within fifteen days of such order, shall notify the owner of the multiple dwelling where the dwelling unit is located that the owner shall, within forty-five days of the department's notice, provide to the department all records required to be maintained under this article. Upon the department's receipt of those records and a determination that there may exist uncorrected lead-based paint hazards in dwelling units where a child of applicable age resides, the department within ten days shall attempt to inspect such units to determine whether there are any violations of section 27-2056.6 of this article.

b. If the owner does not provide to the department the records as mandated by subdivision a of this section, the department shall within forty-five days of such failure attempt to inspect dwelling units where a child of applicable age resides to determine whether there are any violations of section 27-2056.6 of this article in such units.

c. The department is not required to undertake the procedures specified in this section in a particular multiple dwelling if it has done so in such building during the prior twelve month period.

d. Any owner who fails to comply with the provisions of this section in accordance with the rules of the department shall be liable for a class C immediately hazardous violation, and a civil penalty in an amount not to exceed one thousand dollars.

§27-2056.8 Violation in a Dwelling Unit Upon Turnover a. Upon turnover of any dwelling unit in a multiple dwelling erected prior to January 1, 1960 or a dwelling unit in a private dwelling erected prior to January 1, 1960 where each dwelling unit is to be occupied by persons other than the owner or the owner's family, the owner shall within such dwelling unit have the responsibility to:

(1) remediate all lead-based paint hazards and any underlying defects, when such underlying defects exist;

(2) make all bare floors, window sills, and window wells in the dwelling unit smooth and cleanable;

(3) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all doors and door frames; and

(4) provide for the removal or permanent covering of all lead-based paint on all friction surfaces on all windows, or provide for the installation of replacement window channels or slides on all lead-based painted friction surfaces on all windows.

b. All work performed pursuant to this section shall be performed pursuant to the safe work practices promulgated pursuant to section 27-2056.11(a)(3) of this article.

c. Any owner who fails to comply with the provisions of subdivision a of this section, or the rules of the department of health and mental hygiene or the department promulgated pursuant to section 27-2056.11(a)(3) shall be liable for a class C immediately hazardous violation.

§27-2056.9 Department Inspections. a. When entering a dwelling unit in a multiple dwelling constructed prior to January 1, 1960 for the purpose of investigating the existence of any violation of this code, the department shall make diligent efforts to ascertain whether a child of applicable age resides therein and shall request from the occupant an acknowledgement as to whether such a child resides in the dwelling unit. Whenever a child of applicable age resides in a dwelling unit, the department shall immediately perform a room-by-room inspection of the dwelling unit and record for each room in a report of such inspection whether the paint or other similar surface-coating material in each room is peeling or intact. For each room where peeling paint is found, the department shall also inspect for evidence of an underlying defect and shall indicate on the inspection report the peeling paint's location within the room, the condition of the subsurface below it, and the location of any underlying defect. When performing such inspection, the department need only inspect those portions of the dwelling unit where furniture or other furnishings do not obstruct the view of a surface, except when there is visible evidence that causes the department to believe that the obstructed surface has peeling paint. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

b. In any dwelling unit in a multiple dwelling erected prior to January 1, 1960 where a child of applicable age resides, the department shall conduct an inspection pursuant to subdivision a of this section no later than ten days after the department's receipt of a complaint describing peeling paint, or a deteriorated subsurface or underlying defect in the dwelling unit. The department shall make diligent efforts to ascertain whether a child of applicable

age resides therein. Where the department attempts to perform an inspection of a dwelling unit within the time period required by this subdivision but is unable to gain access, the department shall be required to make a reasonable attempt to gain access to such dwelling unit within five days of such attempt. If the department is unable to gain access to that dwelling unit during this additional time period, the department shall provide written notice to the occupant of such dwelling unit that no further attempts at access shall be made unless a new complaint is submitted.

c. Each inspector who performs an inspection pursuant to subdivision b of this section shall use an x-ray fluorescence analyzer during the course of that inspection to determine whether lead-based paint is present in such dwelling unit except that, for reasons beyond the control of the department, such x-ray fluorescence analysis is unable to be performed during such inspection, the department shall rely on the presumption set forth in subdivision a of section 27-2056.5 of this article. Where peeling paint is found during an inspection of a dwelling unit performed pursuant to subdivision a of this section, the department shall within ten days thereafter perform another inspection of such dwelling unit using an x-ray fluorescence analyzer to determine whether lead-based paint is present in such dwelling unit. Where, upon conducting an inspection, the department determines the existence of a condition constituting a violation of this article, the department shall serve a notice of violation within ten additional days.

d. The pamphlet developed by the department of health and mental hygiene pursuant to section 17-179 of this code shall be left at the premises of the dwelling unit at the time of an inspection made by the department pursuant to this section.

e. The department shall develop a pamphlet listing the work practices to be established pursuant to section 27-2056.11 of this article. Such pamphlet shall be delivered by the department in conjunction with all notices of violation issued pursuant to paragraph one of subdivision l of section 27-2115 of this code. Failure to include such pamphlet with such notices of violation shall not render null and void the service of such notices of violation. Such pamphlet shall also be made available to any member of the public upon request.

f. Notwithstanding any other provision of law, failure by the department or the department of health and mental hygiene to comply with any time period provided in this article or section 27-2115 of this chapter relating to responsibilities of the department and the department of health and mental hygiene, shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article.

§27-2056.10 Department Implementation and Enforcement. a. The department shall provide appropriate training for lead-based paint inspection and supervisory personnel. Department personnel who conduct a visual inspection pursuant to this article shall receive training which at a minimum, shall be the training approved by the United States department of housing and urban development for performance of visual inspections. Department personnel who perform lead-based paint inspections using XRF machines shall receive training required by the United States environmental protection agency pursuant to section 745.226(b) of title 40 of the code of federal regulations or successor regulations. Training of all inspection and supervisory personnel shall also include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and require that the individual has successfully demonstrated knowledge of the requirements of this article. The department shall provide for the continuing education of inspection and supervisory personnel.

b. The department, with the approval of the department of health and mental hygiene, shall promulgate a comprehensive written procedure to guide department personnel in implementing and enforcing this article. Where feasible, such procedures shall establish a uniform method for the department of health and mental hygiene and the department, following the method implemented by the department of health and mental hygiene, to describe violations and identify their location in a dwelling or dwelling unit. Such procedures shall include a methodology and a form to be used by department personnel when conducting an inspection to carry out and record an inspection pursuant to section 27-2056.9 of this article.

c. The department shall promulgate rules for the implementation and enforcement of this article and to effect compliance with all applicable provisions of this article, rules promulgated thereunder, and all applicable city, state or federal laws, rules or regulations. Such rules shall be subject to the approval of the department of health and mental hygiene prior to their promulgation and shall include, but not be limited to, establishing:

(1) uniform specifications and procedures to govern testing, including a standardized format for reporting such testing results, whenever paint or a similar surface-coating material is tested for its lead content, whether by or on behalf of an owner or an agency of the city of New York;

(2) procedures by which an owner shall comply with section 27-2056.4 of this article, including the form and content of the annual notice;

(3) procedures by which an owner shall submit rebuttal documentation to the department pursuant to 27-2056.5 of this article;

(4) procedures by which an owner may apply to the department to postpone the date by which a violation shall be corrected pursuant to subdivision l of section 27-2115 of this code, including, but not limited to, the stabilization of the paint which is the subject of the violation where an owner requests a second postponement of time to correct a violation in accordance with subdivision l of section 27-2115 of this code; and

(5) procedures to implement and to enforce compliance with paragraph two of subdivision l of section 27-2115 of this code, which shall include, but not be limited to, the requirement that an owner certify to:

(i) the correction of a violation of this article of the code, and

(ii) compliance with the rules promulgated by the department pursuant to section 27-2056.11 of this code; and

(6) procedures to be established by the department of health and mental hygiene to order or provide for the expeditious cleanup and removal of lead-contaminated dust when the department of health and mental hygiene determines that there is lead-contaminated dust in a dwelling unit where a child of applicable age resides, such child has an elevated blood level, and the department of health and mental hygiene determines that the source of that lead-contaminated dust is not a condition of the dwelling in which such dwelling unit is located.

§27-2056.11 Work Practices.

a. The department shall promulgate rules, with the approval of the department of health and mental hygiene, establishing work practices to which an owner shall be subject in each of the following circumstances:

(1) where an owner is performing work in order to comply with a notice of violation or order to correct issued by the department pursuant to this article, which shall be no less stringent than the safety standards required by the commissioner of health and mental hygiene whenever such commissioner shall order the abatement of lead-based paint hazards pursuant to section 173.13 of the health code or a successor rule. Such rules shall provide for temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall provide that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations, or any successor regulations.

(2) where an owner, other than in response to an order to correct or notice of violation issued by the department or the department of health and mental hygiene, is performing work that will disturb lead-based paint or paint of unknown lead content in a dwelling unit where a child of applicable age resides or in the common area of the multiple dwelling in which such dwelling unit is located, where such multiple dwelling was erected prior to January first, nineteen hundred sixty, or where the owner has actual knowledge of the presence of lead-based paint and such multiple dwelling was erected on or after January first, nineteen hundred sixty and before January first, nineteen hundred seventy-eight.

(i) Except as provided in subparagraph (ii) of this paragraph, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely.

(ii) Where such work will disturb more than one hundred square feet of lead-based paint or paint of unknown lead content in a room in a multiple dwelling, or will involve the removal of two or more windows with lead-based paint or paint of unknown lead content, such rules shall incorporate work practices that are no less protective of public health than those set forth in subdivisions d and e of section 173.14 of the health code and those parts of subdivision b of such section applicable thereto, or a successor rule, and shall include a requirement that lead-

contaminated dust clearance testing be performed at the completion of such work. Such rules shall also require temporary relocation provided by the owner of the occupants of a dwelling or dwelling unit to appropriate housing when work cannot be performed safely. Such rules shall require, in addition, that all such work be performed only by firms which have received certification to perform lead abatement under the regulations issued by the United States environmental protection agency at subpart L of part 745 of title 40 of the code of federal regulations for the abatement of lead hazards, or any successor regulations. Such rules shall also provide that not less than ten days prior to the commencement of such work the owner of the premises, or the firm, shall file with the department of health and mental hygiene a notice of commencement so that the department of health and mental hygiene may, at its discretion, perform sample audits of such notices to determine that the firms performing the work are properly certified. Such notice shall be signed by the owner or by a representative of the firm , and shall be in a form satisfactory to or prescribed by the department of health and mental hygiene, and shall set forth at a minimum the following information:

(a) The address of the multiple dwelling and the specific location of the work within the multiple dwelling.

(b) The name, address and telephone number of the owner of the multiple dwelling in which the work is to be performed.

(c) The name, address and telephone number of the firm which will be responsible for performing the work.

(d) The date and time of commencement of the work, working or shift hours, and the expected date of completion; and

(e) Identification of the surfaces and structures, and surface area, subject to the work.

The rules shall also provide that any changes in the information contained in the notice shall be filed with the department of health and mental hygiene prior to commencement of work, or if work has already commenced, within twenty-four hours of any change. The rules shall provide that a copy of the notice of commencement shall be posted at the work site.

(iii) The provisions of this paragraph shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

(3) where an owner is performing work on turnover pursuant to 27-2056.8 of this article. Such rules shall include, but not be limited to, requiring lead-contaminated dust clearance tests at the completion of such work.

b. No person shall perform a lead-contaminated dust clearance test pursuant to this section unless such person is a third-party, who is independent of the owner and any individual or firm that performs the work, and has successfully completed a course approved or administered by the department of health and mental hygiene or by the United States environmental protection agency or the United States department of housing and urban development and obtained a certificate or other document issued by or acceptable to the department of health and mental hygiene.

c. The department, with the approval of the department of health and mental hygiene, shall promulgate rules requiring that all lead-contaminated dust clearance tests submitted to a laboratory for analysis include a sworn certification that such test was performed in compliance with all applicable rules and regulations and shall include any additional information that the department shall determine is necessary for the administration and enforcement of this section.

d. Where an owner is performing work pursuant to paragraph (1) of subdivision a of this section, all lead-contaminated dust clearance test results shall be filed with the department, and a copy shall be provided by the owner to the occupant of the dwelling unit. Where an owner is performing work pursuant to paragraphs (2) and (3) of subdivision a of this section, a copy of all lead-contaminated dust clearance test results shall be provided to the occupant of the dwelling unit. Copies of lead-contaminated dust clearance test results provided to the occupant of the dwelling unit pursuant to this subparagraph shall be in a form satisfactory to or prescribed by the department of health and mental hygiene that provides a sufficiently clear explanation of the meaning of such results.

§27-2056.12 Reporting. a. Within four months after the close of the first fiscal year after which this article takes effect and for every fiscal year thereafter, the commissioner shall provide to the council a written report on the department's implementation of this article during the preceding year. Such report shall include, at a minimum, an analysis of the department's program, a detailed statement of revenue and expenditures and statistical section designed to provide a detailed explanation of the department's enforcement including, but not limited to, the following:

(1) the number of complaints for peeling paint in pre-1960 dwelling units where a child of applicable age resides, disaggregated by city or non-city ownership of the building which is the subject of the complaint;

(2) the number of inspections by the department pursuant to this article, disaggregated by the city or non-city ownership of the building where the inspection occurred;

(3) the number of violations issued by the department pursuant to this article;

(4) the number of violations issued pursuant to this article that were certified as corrected by the owner, the number of such certifications that did not result in the removal of such violations, and the number of civil actions brought by the department against such owners; and

(5) the number of jobs performed in which violations issued pursuant to this article were corrected by the department, the total amount spent by the department to correct the conditions that resulted in the violations, and the average amount spent per dwelling unit to correct such conditions; and

(6) a statistical profile with geographic indexing, such as by community district, council district, and/or zip code, of multiple dwellings in which violations are placed, indicating the ages of the multiple dwellings and other factors relevant to the prevalence of lead-based paint hazards, which may include the prior lead poisoning of a child in the multiple dwelling, outstanding violations, and emergency repair charges.

b. The department of health and mental hygiene shall prepare a report on progress toward increasing screening rates and reducing the incidence rates of children newly identified with elevated blood lead levels. This report shall be utilized by the department in its implementation of this article. Such report shall be submitted to the council within nine months after the close of each calendar year.

c. The department shall maintain a central register of all department orders to correct a violation under this article. Such register shall indicate, if applicable, the date of the complaint, address of the premises, and the date of each inspection and reinspection.

§27-2056.13 Transmittal of Violations to the Department of Health and Mental Hygiene. The department shall send a notice which shall be addressed to the dwelling unit in the multiple dwelling, when a dwelling unit is identified, for which a violation of this article was issued. Such notice shall include a telephone number for the department of health and mental hygiene. The department shall also refer to the department of health and mental hygiene the address of the unit in the multiple dwelling for which such violation was issued, the name of the complainant, if any, and the complainant's telephone number, if available. The department of health and mental hygiene, pursuant to section 17-179 of this code, shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

§27-2056.14 Inspections by Department of Health and Mental Hygiene and Removal of Health Code Violations by Department of Housing Preservation and Development. Whenever a report has been made to the department of health and mental hygiene of a person under eighteen years of age with an elevated blood lead level of fifteen micrograms per deciliter or higher residing in any dwelling unit, the department of health and mental hygiene shall conduct such investigation as may be necessary to identify potential sources of the elevated blood lead level, including but not limited to, an inspection of the dwelling unit where such person resides. If the department of health and mental hygiene issues an order to correct any violation, the department of health and mental hygiene shall notify the department of each dwelling unit in a dwelling for which the department of health and mental hygiene has issued an order to correct a violation. Where the owner of the dwelling or relevant dwelling unit within such dwelling fails to comply with an order of the department of health and mental hygiene to correct a violation placed by the department of health and mental hygiene, the department of health and mental hygiene shall certify such conditions to the department of housing preservation and development. The certification procedure shall be completed within sixteen days of the report of the elevated blood lead level. The conditions so certified shall be corrected within eighteen days of certification to the department.

§27-2056.15 Waiver of Benefit Void. a. No owner may seek to have an occupant of a dwelling unit waive the benefit or protection of any provision of this article. Any agreement by the occupant of a dwelling unit purporting to waive the benefit or protection of any provision of this article is void. Any owner who violates this section, or the rules promulgated hereunder, shall be guilty of a misdemeanor punishable by a fine of up to five hundred dollars or imprisonment for up to six months or both. In addition, any owner who violates this section shall be liable for a civil penalty of not more than five hundred dollars per violation.

b. Notwithstanding any other provision of this article, nothing herein shall be construed to alter existing or future agreements which allocate responsibility for compliance with the provisions of this article between a tenant shareholder and a cooperative corporation or between the owner of a condominium unit and the board of managers of such condominium.

c. The provisions of this article, other than section 27-2056.14, shall not apply to a dwelling unit in a multiple dwelling where (i) title to such multiple dwelling is held by a cooperative housing corporation or such dwelling unit is owned as a condominium unit, and (ii) such dwelling unit is occupied by the shareholder of record on the proprietary lease for such dwelling unit or the owner of record of such condominium unit, as is applicable, or the shareholder's or record owner's family.

§27-2056.16 Exemption for Emergency Conditions. For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety or to protect property from further major damage, such as when a property has been damaged by a natural disaster, fire, structural collapse, cascading water, lack of utilities or other emergency conditions, occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable and the requirements of this article shall not apply. This exemption applies only to repairs immediately necessary to respond to the emergency. The requirements of this article shall apply to any work undertaken subsequent to or above and beyond such emergency actions.

§27-2056.17 Record Keeping Requirements. The owner of any multiple dwelling or dwelling that performs any work pursuant to this article shall retain all records relating to such work for a period of no less than ten years from the completion date of such work. The owner shall make any such records required to be retained by this section available to the department upon the department's request, and shall transfer such records to the owner's successor in title.

§27-2056.18 Application of this article based on age of child. For the purposes of this article, the term "applicable age" shall mean "under seven years of age" for at least one calendar year from the effective date of this section. Upon the expiration of such one year period, in accordance with the procedures by which the health code is amended, the board of health may determine whether or not the provisions of this article should apply to children of age six, and based on this determination, may redefine "applicable age" for the purposes of some or all of the provisions of this article to mean "under six years of age," but no lower.

§6. Section 27-2115 of the administrative code of the city of New York is amended by adding a new subdivision l to read as follows:

(l)(1) Notwithstanding any other provision of law, when the department serves a notice of violation to correct and certify a condition that constitutes a violation of article fourteen of subchapter two of this chapter, the notice of violation shall specify the date by which the violation shall be corrected, which shall be twenty-one days after service of the notice of violation, and the procedure by which the owner, for good cause shown pursuant to this subdivision, may request a postponement. The notice of violation shall further specify that the violation shall be corrected in accordance with the work practices established in accordance with section 27-2056.11 of this code. The notice of violation shall be served by personal delivery to a person in charge of the premises or to the person last registered with the department as the owner or agent, or by registered or certified mail, return receipt requested, or by certified mail with proof of delivery, to the person in charge of the premises or to the person last registered with the department as the owner or agent; provided that where a managing agent has registered with the department, such notice of violation shall be served on the managing agent. Service of the notice of violation shall be deemed completed three days from the date of mailing. Notification, in a form to be determined by the department, of the issuance of such violation shall be sent simultaneously by regular mail to the occupant at the dwelling unit that is the subject of such notice of violation. The department may postpone the date by which a violation shall be corrected upon a showing, made within the time set for correction in the notice, that prompt action to correct the violation has been taken but that full correction cannot be completed within the time provided because of serious technical difficulties, inability to obtain necessary materials, funds or labor, inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as may be necessary to make the required repair. Such postponement shall not exceed fourteen days from the date of correction set forth in the notice of violation. The department may require such other conditions as are deemed necessary to insure correction of the violations within the time set for the postponement. The department may grant one additional postponement of no more than fourteen days for the reasons authorized by this section so long as the paint or other condition which is the subject of the violation has been stabilized. The department is also authorized to promulgate rules establishing criteria for a postponement of the time to correct for a longer period of time where such postponement is requested because of one or more substantial capital improvements will be made that will, when completed, significantly reduce the presence of lead-based paint in such multiple dwelling or dwelling unit including, but not limited to, a requirement that the paint which is the subject of the violation is stabilized. The department shall provide to the owner and the occupant a written statement signed and dated by the person making

such decision setting forth the reasons for each postponement of the date by which a violation shall be corrected or the reason for the denial of such application for a postponement. Said written statement shall be part of the records of the department.

(2) Notwithstanding any other provision of law, the notice of violation shall direct that the correction of each violation cited therein shall be certified to the department. Such certification shall be made in writing, under oath by the registered owner, a registered officer or director of a corporate owner or by the registered managing agent. Such certification shall include a statement that the violation was corrected in compliance with paragraph one of subdivision a of section 27-2056.11 of this code and shall include a copy of the lead-contaminated dust clearance test results. All certifications shall be delivered to the department and acknowledgment of receipt therefor obtained or shall be mailed to the department by certified or registered mail, return receipt requested, no later than five days after the date set for correction, and shall include the date when each violation was corrected. Such certification of correction shall be supported by a sworn statement by the person who performed the work if performed by an employee or agent of the owner. A copy of such certification shall be mailed to the complainant by the department not more than twelve full calendar days from the date of receipt of such certification by the department. Failure to file such certification shall establish a prima facie case that such violation has not been corrected.

(3) Whenever the department shall issue a notice of violation to correct a condition that constitutes a violation of section 27-2056.6 of article fourteen of subchapter two of this chapter, the department shall within fourteen days after the date set for the correction of such violation conduct a final inspection to verify that the violation has been corrected. Where, upon conducting an inspection, the department determines that a violation has not been corrected, the department shall correct such violation within forty-five additional days of such inspection or in such shorter time as is practicable.

(4) Notwithstanding any other provision of law, the department shall not remove a violation from its records nor shall it be deemed that such violation has been corrected unless the records of the department contain written verification that the department has conducted a final inspection of the premises and that such inspection verifies that the violation has been corrected, and copies of lead-contaminated dust clearance test results whenever such tests are required by applicable law, rule or regulation. A copy of the report of the final inspection of a dwelling unit and the status of the violation shall be mailed or delivered to the occupant and the owner.

(5) Notwithstanding any other provision of law, a person making a false certification of correction of a violation issued pursuant to article 14 of subchapter 2 of this chapter, in addition to any other civil penalty, shall be subject to a civil penalty of not less than one thousand dollars nor more than three thousand dollars for each false certification made, recoverable by the department in a civil action brought in a court of competent jurisdiction. If the person making such false certification is an employee of the owner then such owner shall be responsible for such civil penalty. In addition, any such person making a false certification of correction shall be guilty of a misdemeanor punishable by a fine of up to one thousand dollars or imprisonment for up to one year or both.

(6) Notwithstanding any other provision of law, a person who violates article fourteen of subchapter two of this chapter by failing to correct such violation in accordance with paragraph one of subdivision a of section 27-2056.11 of this code shall be subject to a civil penalty of two hundred fifty dollars per day for each violation to a maximum of ten thousand dollars from the initial date set for correction in the notice of violation until the date the violation is corrected and certified to the department, and in addition to any civil penalty shall, whenever appropriate, be punished under the provisions of article three of subchapter five of this code. There shall be a presumption that the condition constituting a violation continues after the service of the notice of violation. The owner shall be responsible for the correction of all violations noticed pursuant to article fourteen of subchapter two of this chapter, but in an action for civil penalties pursuant to this subdivision may in defense or mitigation of such owner's liability for civil penalties show:

(i) That the condition which constitutes the violation did not exist at the time the violation was placed; or

(ii) That he or she began to correct the condition which constitutes the violation promptly upon discovering it but that full correction could not be completed expeditiously because of serious technical difficulties, inability to obtain necessary materials, funds or labor, or inability to gain access to the dwelling unit wherein the violation exists, or such other portion of the building as might be necessary to make the repair, provided that a postponement was granted pursuant to this subdivision; or

(iii) That he or she was unable to obtain a permit or license necessary to correct the violation, provided that diligent and prompt application was made therefor; or

(iv) That the violation giving rise to the action was caused by the act of negligence, neglect or abuse of another not in the employ or subject to the direction of the owner, except that the owner shall be precluded from showing in

defense or mitigation of such owner's liability for civil penalties evidence of any acts occurring, undertaken, or performed by any predecessor in title prior to the owner taking control of the premises. Where the aforesaid allegations are made by way of mitigation of penalties, the owner shall show, by competent proof, pertinent financial data and efforts made to obtain necessary materials, funds or labor or to gain access, or to obtain a permit or license and such other evidence as the court may require.

If the court finds that sufficient mitigating circumstances exist, it may remit all or part of any penalties arising from the violations, but may condition such remission upon a correction of the violation within a time period fixed by the court.

(7) Notwithstanding any other provision of law, failure by the department to comply with any time period provided in this section relating to responsibilities of the department shall not render null and void any notice of violation issued by the department or the department of health and mental hygiene pursuant to such article or section, and shall not provide a basis for defense or mitigation of an owner's liability for civil penalties for violation of such article

§7. Title 17 of the administrative code of the city of New York is amended by adding new sections 17-179, 17-180, 17-181, 17-185, and 17-186, to read as follows:

§17-179 Department Screening, Diagnosis, and Treatment. a. The department shall refer to appropriate medical providers any person who requests assistance in blood lead screening, testing, diagnosis or treatment, and upon the request of a parent or guardian, arrange for blood lead screening of any child who requires screening and whose parent or guardian is unable to obtain a lead test because the child is uninsured or the child's insurance does not cover such screening.

b. The department shall develop a pamphlet explaining the hazards associated with lead-based paint and describing the procedures to be used in order for a violation of sections 27-2056.6 and 27-2056.7 of this code to be corrected. The pamphlet shall include appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information and to report unsafe lead-based paint work practices. Such pamphlet shall be made available in accordance with section 27-2056.9 of this code. Such pamphlet shall also be made available to any member of the public upon request.

§17-180 Training of Department Personnel. The department, in conjunction with the department of housing preservation and development, shall provide training for lead-based paint inspection and supervisory personnel. No department personnel shall conduct an inspection for lead-based paint pursuant to the health code unless that individual has received such training. At a minimum, such training shall (1) be equivalent to the training required under regulations issued by the United States environmental protection agency for the certification of lead-based paint inspectors and supervisors, (2) include background information pertaining to applicable state and local lead-based paint laws and guidance on identifying violations in a multiple dwelling, and (3) require that the individual has successfully demonstrated knowledge of the responsibilities of a certified inspector or certified supervisor, as the case may be, and the requirements of sections 173.13 and 173.14 of the health code or successor rules. The department shall provide for the continuing education of inspection and supervisory personnel.

§17-181 Lead-based paint; dry scraping and dry sanding prohibited. The dry scraping or dry sanding of lead-based paint or paint of unknown lead content in any dwelling, day care center or school is hereby declared to constitute a public nuisance and a condition dangerous to life and health. For the purpose of this section, dry scraping and dry sanding shall mean the removal of paint or similar surface-coating material by scraping or sanding without using water misting to reduce dust levels or other method approved by the department. The department shall promulgate such additional rules as necessary for the enforcement of this section.

§17-185 Inspection by the Department of Unsafe Work Practices. The department shall promulgate rules requiring the department to respond to complaints regarding unsafe lead-based paint work practices.

§17-186 Lead poisoning prevention in children. a. The department shall develop a brochure which, at a minimum, advises all appropriate medical providers of their obligations to screen and test children for lead poisoning according to all relevant federal, state and local laws, rules and regulations. Such pamphlet shall be distributed to all appropriate medical providers on an annual basis, starting on September 15, 2004.

b. The department shall develop a pamphlet regarding lead poisoning prevention in children. Such pamphlet shall, at a minimum, be printed in English and Spanish and shall include, at a minimum: (i) the manner in which children are most likely poisoned by lead; (ii) the effects of lead poisoning on a child's health; (iii) the intervals at which a child is required by New York state law to be tested for blood lead levels; (iv) the appropriate telephone numbers to obtain lead poisoning screening, diagnosis and treatment information; (v) the steps a parent or

guardian may take to protect his or her child from lead poisoning; and (vi) the requirement of landlords to inspect and repair lead-based paint hazards.

c. At a minimum, the department shall distribute the pamphlet produced pursuant to paragraph b of this section with each birth certificate furnished to the parent or guardian of a child pursuant to section 17-168 of this title. Such pamphlet shall also be made available to any member of the public upon request.

§8. Subdivision 1 of subsection a of section § 11-243 of the administrative code of the city of New York is amended to read as follows:

1. "Alteration" and "improvement": a physical change in an existing dwelling other than painting, ordinary repairs, normal replacement of maintenance items, [except that painting or repairs designated to eliminate the lead-based paint poisoning hazard shall be eligible for tax exemption and tax abatement under this section and] provided, however, that ordinary repairs and normal replacement of maintenance items, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, shall be eligible for tax exemption and tax abatement under this section provided that repairs and maintenance items:

(1) were started and completed within a twelve-month period,

(2) were made to any common area of the dwelling premises concurrently with a major capital improvement thereto, as defined by [regulations] *rules* adopted by the department of housing preservation and development pursuant to subdivision m of this section, and

(3) require the issuance of a permit for at least one item thereof by any city agency, and

(4) the amount of money expended thereon shall not exceed two times the amount expended on the major capital improvement performed concurrently therewith.

"Alteration" and "improvement" shall also mean "an abatement" of lead-based paint hazards, as defined in part 745 of title forty of the code of federal regulations or any successor regulations, and shall include an "inspection" and "risk assessment" for lead-based paint hazards, as defined in such part, in a dwelling unit occupied by a child of applicable age, as established in accordance with section 27-2056.18 of this code, regardless of whether a child is or has been lead poisoned but shall not include any work performed to comply with a notice of violation issued for a violation of article fourteen of subchapter two of chapter .

§9. Title 17 of the administrative code of the city of New York is amended by adding a new chapter nine to read as follows:

Chapter 9
Lead-Based Paint in Day Care Facilities
Subchapter 1
Definitions

§17-900 Definitions.

Subchapter 2
Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption.
§17-911 Remediation.
§17-912 Department Rules.
§17-913 Annual Inspection.

Subchapter 1
Definitions

§17-900 Definitions. For the purpose of this chapter the following terms shall have the following meanings:

1. " Chewable surface" shall mean a protruding interior window sill in a day care facility that is readily accessible to a child of applicable age. "Chewable surface" shall also mean any other type of interior edge or protrusion in a day care facility, such as a rail or stair, where there is evidence that such other edge or protrusion has been chewed or where the operator of such day care facility has observed that a child under six years of age has mouthed or chewed such edge or protrusion.

2. "Day care facility" shall mean any facility used to provide day care service.

3. "Day care service" shall mean any service which, during all or part of the day, regularly gives care to seven or more children under six years of age, not all of common parentage, which operates more than five hours per week for more than one month a year. Day care service shall not mean a kindergarten or higher grade in a facility operated by the board of education.

4. "Deteriorated subsurface" shall mean an unstable or unsound painted subsurface, an indication of which can be observed through a visual inspection, including but not limited to, rotted or decayed wood, or wood or

plaster that has been subject to moisture or disturbance.

5. "Friction Surface" shall mean any painted surface that touches or is in contact with another surface, such that the two surfaces are capable of relative motion, and abrade, scrape or bind when in motion. Friction surfaces shall include, but not be limited to, window frames and jambs, doors, and hinges.

6. "Impact Surface" shall mean any interior painted surface that shows evidence, such as marking, denting, or chipping, that it is subject to damage by repeated sudden force, such as certain parts of door frames, moldings, or baseboards.

7. "Lead-based paint" shall mean paint or other similar surface-coating material containing 1.0 milligrams of lead per square centimeter or greater, as determined by laboratory analysis, or by an x-ray fluorescence analyzer. If an x-ray fluorescence analyzer is used, readings shall be corrected for substrate bias when necessary as specified by the performance characteristic sheets released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings shall be classified as positive, negative or inconclusive in accordance with the United States department of housing and urban development "Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing" (June 1995, revised 1997) and the PCS released by the United States environmental protection agency and the United States department of housing and urban development for the specific x-ray fluorescence analyzer used. X-ray fluorescence readings that fall within the inconclusive zone, as determined by the performance characteristic sheets, shall be confirmed by laboratory analysis of paint chips, results shall be reported in milligrams of lead per square centimeter and the measure of such laboratory analysis shall be definitive. If laboratory analysis is used to determine lead content, results shall be reported in milligrams of lead per square centimeter. Where the surface area of a paint chip sample cannot be accurately measured or if an accurately measured paint chip sample cannot be removed, laboratory analysis may be reported in percent by weight. In such case, lead-based paint shall mean any paint or other similar surface-coating material containing more than 0.5% of metallic lead, based on the non-volatile content of the paint or other similar surface-coating material.

8. "Lead-based paint hazard" shall mean any condition that causes exposure to lead from lead-contaminated dust, from lead-based paint that is peeling, or from lead-based paint that is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.

9. "Lead-contaminated dust" shall mean dust containing lead at 40 or more micrograms per square foot on a floor, 250 or more micrograms per square foot on window sills, and 400 or more micrograms per square foot on window wells, or such more stringent standards as may be adopted by the New York City board of health.

10. "Operator of such day care facility" shall mean any person who provides day care service and the owner of the premises where such day care facility is located. "Person" shall mean an individual, corporation, partnership, association or other for-profit or not-for-profit entity.

11. "Peeling" shall mean that the paint or other surface-coating material is curling, cracking, scaling, flaking, blistering, chipping, chalking, or loose in any manner, such that a space or pocket of air is behind a portion thereof or such that the paint is not completely adhered to the underlying surface.

12. "Remediation" or "Remediate" shall mean the reduction or elimination of a lead-based paint hazard through the wet scraping and repainting, removal, encapsulation, enclosure, or replacement of lead based paint, or other method approved by the commissioner of health and mental hygiene.

Subchapter 2

Remediation of Lead-Based Paint Hazards in Day Care Facilities

§17-910 Presumption. a. All paint or similar surface-coating material on the interior of any day care facility in a structure erected prior to January 1, 1978, shall be presumed to be lead-based paint.

b. The presumption established by this section may be rebutted by the operator or owner of the day care facility by submitting to the department a sworn written statement by the operator or owner of the day care facility supported by lead-based paint testing or sampling results, a sworn written statement by the person who performed the testing if performed by an employee or agent of the operator or owner of the day care facility, and such other proof as the department may require. Testing performed to rebut the presumption may only be performed by a person who has been certified as an inspector or risk assessor in accordance with subparts L and Q of part 745 of title 40 of the code of federal regulations or successor regulations. The determination as to whether such proof is adequate to rebut the presumption established by this section shall be made by the department.

§17-911 Remediation. a. There shall be no peeling lead-based paint in any portion of any day care facility.

b. Lead based paint or paint of unknown lead content that is peeling, or which is present on chewable surfaces, deteriorated subsurfaces, friction surfaces, or impact surfaces shall be immediately remediated in a manner authorized by the department.

c. Any equipment that is painted shall be painted with lead-free paint.

d. Whenever a condition prohibited by this section is found to exist, the department shall immediately serve an order on the operator or owner of such day care facility to remediate the condition. In the event such order is not complied with within forty-five days of service thereof, the department shall immediately request an agency of the city of New York to execute such order pursuant to the provisions of section 17-147 of this code. The agency shall execute the order within forty-five days of the department's request. The city of New York shall be entitled to enforce its rights for reimbursement of expenses incurred thereby, including as credits toward lease payments.

e. When lead-based paint hazards are remediated pursuant to this section such work shall be performed in compliance with work practices established by the department pursuant to section 17-912 of this subchapter.

§17-912 Department rules. The department shall promulgate such rules as may be necessary for the implementation of this chapter. Such rules shall incorporate work practices that are no less protective of public health than those set forth in section 173.14 (d) and (e) and those parts of subdivision b of the health code applicable thereto or a successor rule, and shall include a requirement that lead-contaminated dust clearance testing be performed at the completion of such work. Such rules shall require that such work be performed by a person who has, at a minimum, successfully completed a course on lead-safe work practices given by or on behalf of the department or, by the United States environmental protection agency or an entity authorized by it to give such course, or by the United States department of housing and urban development or an entity authorized by it to give such course. Such rules shall not apply where such work disturbs surfaces of less than (a) two square feet of peeling lead-based paint per room or (b) ten percent of the total surface area of peeling paint on a type of component with a small surface area, such as a window sill or door frame.

§17-913 Annual Survey. The operator of a day care facility shall conduct a survey of such facility annually, and more often if necessary, to determine the physical condition of surface-coating material throughout each such facility and shall provide a copy of the survey results to the department.

§10. All actions taken by the departments of housing preservation and development and health and mental hygiene pursuant to local law 38 of 1999 and local law 1 of 1982 shall be deemed valid to the extent that all violations written, and fines or penalties assessed, as well as any costs for repairs of such violations shall remain valid and enforceable, provided, however, that any such violations which remain uncorrected on the effective date of this local law shall be repaired using the work practices established pursuant to section 27-2056.11(a)(1) as added by section 5 of this local law, and the rules promulgated thereunder, and certified to the department of housing preservation and development in accordance with section 27-2056.10(c)(5) and subdivision (l) of section 27-2115 of the administrative code of the city of New York, as added by section five of this local law, and the rules promulgated thereunder pursuant to this local law.

§11. If any sentence, paragraph, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part.

§12. Paragraph 4 of subdivision e of section 27-2056.4 of the administrative code of the city of New York, as added by section 5 of this local law, shall take effect immediately, and all other provisions of this local law shall take effect one hundred eighty days after its enactment, except that the commissioners of health and mental hygiene and housing preservation and development shall promulgate all rules and take all other actions necessary to implement this local law, other than paragraph 4 of subdivision e of section 27-2056.4, on or before the date upon which it shall take effect.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on December 15, 2003, disapproved by the Mayor on December 17, 2003 and repassed by the Council Members on February 4, 2004 and said law is adopted notwithstanding the objection of the Mayor.

VICTOR L. ROBLES, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 1 of 2004, Council Int. No. 101-A) contains the correct text and:

Received the following vote at the meeting of the New York City Council on December 15, 2003: 44 for, 5 against, 1 not voting.

Was disapproved by the Mayor on December 17, 2003.

Was returned to the City Clerk on December 19, 2003.

Was reconsidered by the Council on February 4, 2004 and received the following vote of the Council members at a meeting of the Council on February 4, 2004: 44 for, 5 against, 1 not voting.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel

EXHIBIT L TO
OFFERING PLAN
807 MANHATTAN AVENUE CONDOMINIUM

CERTIFICATIONS:

SPONSOR

ARCHITECT

ADEQUACY OF BUDGET

ADEQUACY OF COMMERCIAL COMMON CHARGES

CERTIFICATION OF SPONSOR AND PRINCIPALS

June 18, 2019

NYS Department of Law
28 Liberty Street – 21st Floor
New York, NY 10005

Re: Residential Section in 807 Manhattan Avenue Condominium
Address: 1080 Lorimer Street
Brooklyn, New York

Gentlemen and Ladies:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Office of the Attorney General 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 hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

807 MANHATTAN AVENUE LLC
Sponsor

By: _____
Martin Nussbaum
Authorized Signatory

Sponsor's Principals:

_____
MARTIN NUSSBAUM

_____
DAVID SCHWARTZ

Subscribed and sworn to before me
this 1st day of ~~June~~ July, 2019.

_____
Notary Public

JOAN SANTIAGO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01SA6099098
Qualified in Bronx County
My Commission Expires September 22, 2019

PART 20: CERTIFICATION OF ARCHITECT
RE: NEWLY CONSTRUCTED UNITS

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

Re: Condominium Offering Plan for the
Residential Section of the 807 Manhattan Avenue Condominium
1080 Lorimer Street
Brooklyn, New York 11222

The sponsor of the condominium offering plan to convert Commercial Unit 2 of 807 Manhattan Avenue Condominium to be known as the Residential Section housed at 1080 Lorimer Street ("Property") to residential condominium ownership retained our firm to prepare a report describing the construction and renovation of the Property (the "Report"). Our office performed an inspection of the property, which is under construction, on August 27, 2019. I examined the construction plans and specifications that were prepared by our office dated November 1, 2018 and May 15, 2019 and prepared the Report dated August 28, 2019, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect in the State of New York.

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 Property as it will exist upon completion of construction and/or renovation, provided that construction and/or renovation is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the Property as it

SHERIDA E. PAULSEN, FAIA
WILLIAM B. FELLOWS, AIA
TIMOTHY WITZIG, AIA

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will exist upon completion of construction and/or renovation, provided that construction and/or renovation 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; and

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the Property to residential condominiums 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.

PKSB ARCHITECTS

By: _____
Name: Sherida E. Paulsen, FAIA
Title: Principal

Sworn to before me this
29th day of August 2019

_____
Notary Public

NANCY CUSACK
Notary Public, State of New York
No. 01CU6044996
Qualified in New York County
Commission Expires July 17, 2022

SHERIDA E. PAULSEN, FAIA
WILLIAM B. FELLOWS, AIA
TIMOTHY WITZIG, AIA

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CERTIFICATION OF ADEQUACY OF BUDGET

August 28th, 2019

NYS Department of Law
28 Liberty Street – 21st Floor
New York, NY 10005

Re: Residential Section in 807 Manhattan Avenue Condominium
Address: 1080 Lorimer Street
Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained my firm to prepare Schedules B and B-1 containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes the management of real estate properties for over twenty-five (25) years. We currently manage over 100 condominium and rental buildings in New York City.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

We have reviewed the Schedule(s) and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedules B and B-1. appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(vii) (a) knew the truth;

(vii) (b) with reasonable effort could have known the truth;

(vii) (c) made no reasonable effort to ascertain the truth; or

(vii) (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

CENTURY MANAGEMENT SERVICES, INC.

By: _____
Jacob Sirotkin

Subscribed and sworn to before me
this 28 day of August 2019.

_____
Notary Public

MARTA PERALTA
Notary Public, State of New York
No. 01PE6166205
Qualified in New York County
Commission Expires 05/21/2019

Century Management Services, Inc. with offices at
440 Ninth Avenue, Suite 1500 New York, New York 10001

CERTIFICATION OF ADEQUACY OF BUDGET OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT

August 28th 2019

NYS Department of Law
28 Liberty Street – 21st Floor
New York, NY 10005

Re: Residential Section in 807 Manhattan Avenue Condominium
Address: 1080 Lorimer Street
Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial unit. Our experience in this field includes the management of real estate properties for over twenty-five (25) years. We currently manage over 100 condominium and rental buildings in New York City.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owners of commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit:

(i) set forth in detail the projected common charges for the commercial unit for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we:

(viii) (a) knew the truth;

(vii) (b) with reasonable effort could have known the truth;

(vii) (c) made no reasonable effort to ascertain the truth; or

(vii) (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

CENTURY MANAGEMENT SERVICES, INC.

By: _____
Jacob Sirotkin

Subscribed and sworn to before me
this 28 day of August 2019

_____
Notary Public

MARTA PERALTA
Notary Public, State of New York
No. 01PE6166205
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Commission Expires 05/21/2019

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