CONDOMINIUM OFFERING PLAN

THE HOMAGE ON 3RD STREET CONDOMINIUM
497 3rd Street, Brooklyn, New York 11215 (Kings County)

Total Purchase Price of:

Four (4) Residential Units	$ 8,875,000.00
One (1) Retail Unit	$ 1,125,000.00
Five (5) Storage Room Licenses	$ 135,000.00
Net Purchase Price	$ 10,135,000.00

The actual cash proceeds from this offering may be significantly greater or lesser than the amount shown, depending upon the actual purchase price received for each of the Units. Purchasers may pay different prices for similar units. (See section of this Plan entitled "Changes in Prices or Units" in Part I).

SPONSOR:	*SELLING AGENT:*	*SALES OFFICE:*
The HOMAGE ON 3RD, LLC	Compass	Compass
291 5th Avenue	90 Fifth Avenue	514 2nd Street
Brooklyn, NY 11215	New York, NY 10011	Brooklyn, NY 11215

Date of Acceptance for Filing:

Filing Date of this Offering Plan _____, 20_____. This Offering Plan may not be used after _____, 20____

This Offering Plan may not be used more than one year thereafter, unless extended by an Amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE SPECIAL RISKS ON PAGE 6 FOR DETAILS.

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

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

Prepared By: Damion M. Sanders, Esq., 865 President Street, Brooklyn, NY 11215

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PART I

SPECIAL RISKS

1. SPONSOR'S RIGHT TO RENT UNITS

The Sponsor is reserving the unconditional right to rent rather than sell units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. The sale of one (1) residential unit shall allow the Sponsor to meet the fifteen (15%) percent threshold required to declare the offering plan effective.

The Sponsor intends to offer Unsold Residential Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Residential Units rather than use such Residential Units for personal occupancy. As a result, Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Board of Managers does not have the right to approve or disapprove potential Purchasers of Residential Units, the Board of Managers is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units.

2. DEFAULT

At the time the purchase for a Unit is executed, a purchaser is required to make a down payment in an amount equal to ten (10%) percent of the purchase price, or such lesser amount as shall be agreed upon. In the event of any default by a purchaser under his, her or their Purchase Agreement, Sponsor, at its option, may either (i) cancel such Purchase Agreement and retain, as liquidated damages, the down payment made by the purchaser, together with interest earned thereon, if any, or (ii) bring an action against the purchaser for specific performance in the event purchaser could be compelled to complete the transaction. Specific performance means that a purchaser in default may be required to undertake to perform or complete his, her, or their obligations under the Purchase Agreement if the Sponsor prevails in an action against the purchaser. (See "Procedure to Purchase" in Part I for further discussion).

The right to specific performance is contained in the Purchase Agreement. If purchaser fails to make any such payments when required or fails to perform any of purchaser's other obligations under the Purchase Agreement and does not cure said default within thirty (30) days after Sponsor gives written notice to purchaser of Sponsor's intention to cancel the Purchase Agreement, Sponsor may, at its option, cancel the Purchase

Agreement. If Sponsor elects to cancel the Purchase Agreement as provided for in the preceding sentence, Sponsor shall retain, as and for liquidated damages all sums deposited by purchaser under the Purchase Agreement, with any interest accrued thereon, if any.

3. OCCUPANCY

Except for the purpose of declaring the Plan effective (see the "Effective Date" section in this Offering Plan), purchasers are not required to buy for their own occupancy. Thus, some units may be occupied by persons other than the owners. Pursuant to 13 NYCRR § 20.3(q) and the Plan purchasers must be "bona fide" and purchase in good faith, without fraud or deceit, however, "bona fide" purchasers purchasing a unit for investment may be used to declare the Plan effective.

The Board of Managers does not have the right to approve or disapprove a purchaser. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy. There may always be a substantial percentage of owners who are non-residents. The owner-occupants and non-resident owners may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e. purchase as a home as opposed to purchase as an investment.

4. DOWNPAYMENT

Down payments shall be deposited with Capital One Bank, 341 Eastern Parkway, Brooklyn, New York 11238 in the account entitled Damion M. Sanders, Esq., Offering Plan Escrows Attorney Trust Account. This bank is covered by federal bank insurance to a maximum of $250,000.00 per individual account. If an individual makes a downpayment or initial premium payment in excess of $250,000.00 for the purchase of a Unit, it is a **special risk** of this offer that such deposit will not be federally insured in excess of $250,000.00. If a Purchaser maintains an account at the Escrow Bank the funds in such accounts together with the deposit hereunder may be aggregated by the Escrow Bank for the purposes of determining the $250,000.00 federal limit. Additionally, the deposit hereunder will be added to any other deposits of the purchaser at Capital One Bank to determine the insurance limit so that all or some of the deposits hereunder may not be federally insured.

5. COMPOSITION OF THE BOARD OF MANAGERS

The By-Laws of the Condominium provide that the Sponsor may exercise control of the Board of Managers for a period of five (5) years after the closing of the first unit or whenever the unsold units constitute less than fifty (50%) percent of the common interests, whichever is sooner. There is no provision in the By-Laws that a majority of the Board of Managers must be owner-occupants or members of an owner-occupied household who are unrelated to the sponsor and its principals after the end of the initial

control period. Owner-occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, for example, the purchase of a home as opposed to an investment. During the control period the Board of Managers shall have three (3) members. During the initial control period the Sponsor shall be permitted to appoint two (2) members to the Board of Managers. After the control period ends the Board of Managers shall be comprised of three (3) members. The Sponsor shall be permitted to appoint only one member to the Board of Managers after the expiration of the initial control period so long as Sponsor shall own an Unsold Unit.

The Sponsor shall be entitled to appoint members to the Board of Managers both during and after the expiration of the control period for so long as the Sponsor shall have ownership of Unsold Unit(s).

Before and after the Initial Control Period, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

The Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period. The Retail Unit Owner shall be entitled to appoint one (1) member to the Condominium Board of Managers. After expiration of the initial control period the Sponsor shall only be permitted to appoint one (1) member to the Board of Managers, even if the Sponsor maintains ownership of the Retail Unit and one or more Unsold Residential Units after the expiration of the initial control period.

6. CELLAR

The cellar space is designated for use as storage space. Such cellar space may not be used for residential purposes. The cellar space receives less light and air than residential space or ordinary living space. The cellar space is more susceptible to dampness. See Schedule A for additional details.

7. ROOF

The roof is a limited common element for the exclusive use of the Unit Owners of Units 2, 3, 4, and PH. The roof will be tiled with porcelain pavers. The Sponsor is not providing segregation of the roof space. If a Unit Owner of Units 2, 3, 4, and PH wishes to provide other protective roof surface or erect permanent structures on the roof or make any alterations to the roof, the Unit Owner, at the Unit Owner's sole cost and expense and other requirements, must submit the plans to and obtain approvals from the Board of Managers and the Department of Buildings and any other applicable regulatory agency.

8. BUDGET

The Board of Managers will manage and maintain the building through a designated real estate management company that is responsible as the managing agent for carrying out the duties and responsibilities designated by the Board of Managers. Accordingly there is a management fee included in the Projected Budget for the First Year of Condominium Operation and in the Common Charges. (See "Schedule B" and "Footnotes to Schedule B" in Part I of the Plan for details)

9. WINDOW GUARDS

Unit Owners must notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. All residential windows have been installed with Window Guards from the manufacturer, Imperial Euro Windows Inc., which prevent the residential windows from opening more than four (4") inches. Owners shall not remove them until permitted by the applicable law, and in any event, not without the full knowledge and consent of the Board of Managers. Sponsor does not make any representation whether Unit Owners will comply with the foregoing obligations.

10. TIME IS OF THE ESSENCE

TIME IS OF THE ESSENCE as to Purchaser's obligations under the Purchase Agreement, including, without limitation for the payment of all down payments. According to Black's Law Dictionary (revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

11. RESERVE FUND AND WORKING CAPITAL FUND

The Sponsor will not contribute to the reserve fund or to the working capital fund for capital replacements or repairs. The Working Capital Fund will initially be funded entirely by contributions from purchasers at unit closings. Upon completion of renovation, the Building will be substantially new construction and consequently Sponsor does not anticipate the imminent need for capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises. The Board of Managers, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges. The lack of a contribution by the Sponsor to a reserve fund and working capital fund may have a negative impact on prospective purchasers' ability to obtain mortgage financing because banks and other lenders frequently require reserve

funds to protect their loans with a lower associated risk of foreclosure. The lack of a contribution to the reserve fund and working capital fund by the Sponsor is a **special risk** of the Plan because it may have a negative impact on prospective purchasers' ability to obtain mortgage financing.

The contingency line item provided for in the Schedule B – Projected Budget for First Year of Condominium Operation - is intended to fund unanticipated expenses not included in the First Year's Budget and for possible increases in operating expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency line item is not intended, and may not be sufficient, to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Board of Managers to increase Common Charges or impose Special Assessments. Because the reserve fund may not be sufficient to provide for needed capital expenditures within the first (5) years following the first closing under the plan it is highlighted as a **special risk** of the offering plan.

The Sponsor included a contingency line item for future use that budgets 10% of all common charge revenue to be designated for the reserve fund.

Each Purchaser of a Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing in an amount equal to two (2) months' Common Charges with respect to the Unit based on the Condominium budget in effect as of the Closing Date. The payment of the Working Capital Fund Contribution shall be required of all Purchasers of Residential Units, whether purchased from Sponsor or purchased from a Residential Unit Owner on a resale.

See the Sections of the Plan entitled "Reserve Fund" and "Working Capital Fund" for details.

12. ANCILLARY AMENITY LICENSE AGREEMENTS

The Sponsor may license certain parts of the Common Elements from the Condominium Board. The Sponsor is offering Purchasers of Residential Units the opportunity to license certain Ancillary Amenities for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building pursuant to the terms of the Purchase Agreement ("Ancillary Amenity License"), the form of which is set forth in Part II of the Plan. Although the Ancillary Amenity Areas are Residential Common Elements, the Sponsor has the exclusive right, without charge, to license the Ancillary Amenities located therein from the Condominium Board. The right to license the Ancillary Amenities shall be revocable by the Condominium Board. The Condominium will not be entitled to any of the proceeds from the licensing of the Ancillary Amenities. Any such license by the

Condominium Board to the Sponsor shall terminate when the Sponsor ceases to own any Units in the Condominium. Purchasers should note that the licensing of an Ancillary Amenity does not require the issuance of a Temporary Certificate of Occupancy ("TCO") or Permanent Certificate of Occupancy ("PCO"). Purchasers will be required to consummate the purchase of the Residential Unit and the Ancillary Amenity simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued to the Ancillary Amenity Area. In such event, the proceeds from the sale of the Ancillary Amenity will be held in escrow ("Ancillary Amenity Escrow") by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Amenity Area. The Ancillary Amenity Escrow will not be held in an interest-bearing escrow account, and, therefore, Purchaser will earn no interest on the Ancillary Amenity Escrow. (See the Section of the Plan entitled "Terms of Sale" for details).

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the license of an Ancillary Amenity, Sponsor reserves the right to withdraw the offering of any particular Ancillary Amenity and/or to reduce the number of Ancillary Amenities offered. After such time that Sponsor has entered into a Purchase Agreement and Ancillary Amenity License Agreement with respect to the license for use of a particular Ancillary Amenity, Sponsor may withdraw or reduce the offering of any Ancillary Amenity category, but only to the extent that such withdrawal or reduction does not affect any Ancillary Amenity subject to an existing Purchase Agreement. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Ancillary Amenities, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and such Ancillary Amenity Areas shall remain common elements of the Condominium. The Ancillary Amenities are Common Elements of the Condominium and any use or commandeering of this property is subject to a license provided by and revocable by the Condominium Board. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for any Ancillary Amenity and (ii) who have entered into Purchase Agreements for Ancillary Amenities unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including without limitation the obligation to purchase the Residential Unit.

The Ancillary Amenities and the Ancillary Amenity Areas will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Ancillary Amenity Licensee. The Board of Managers, its agents and employees, and Sponsors shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Ancillary Amenity Areas.

The purchaser of an Ancillary Amenity License shall be responsible for paying a one-time licensing fee to the Sponsor for a license to use the respective Storage Room. See

the section of Part I of the Plan entitled Schedule A-2 for more detailed information. The term of the ancillary amenity license shall be for so long as the licensee shall maintain ownership of at least one unit in the Condominium.

The Sponsor shall be responsible for: (i) all costs and expenses associated with the operation of any unlicensed Storage Rooms, and (ii) the payment of any license fees and/or special assessments imposed by the Condominium Board related to the unlicensed Storage Rooms.

See the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers," subsection "Use of Units and Common Elements and Ancillary Amenities" for details.

13. WINDOW TREATMENTS

In order to promote a consistent appearance of the Building from the outside, each Unit Owner will be required to install and maintain window treatments having a neutral-colored backing on the sides facing the windows in its Unit, which window treatments and backings must conform to any specifications (including a new color) established from time to time by the Board of Managers (the "Board").

The Board will arrange for the washing and cleaning of the exterior glass surfaces of all windows, and the cost thereof will be charged to the Unit Owners as a Common Expense. The Board and the Managing Agent will have an easement to, through and over each Residential Unit Owner's Unit, Balcony and Terrace for the purpose of washing and cleaning the exterior glass surfaces of the windows appurtenant to a given Residential Unit, which access will be scheduled during such reasonable days and times as the Board shall determine upon at least one week's advance notice to the Residential Unit Owner being required to provide such access. The washing and cleaning of window interiors shall be the responsibility of the respective Unit Owner to which such window is appurtenant or, with respect to General Common Elements, the Board. All window interiors shall be cleaned a minimum of one (1) time per calendar year, or more frequently as may be required by the Board. The Board may from time to time enforce the responsibility of Unit Owners to wash and clean the interior surfaces of windows located in their Unit Owners respective Units and charge the defaulting Unit Owner therefor. Unit Owners are prohibited from cleaning or allowing to be cleaned any window from the outside in violation of Section 202 of the New York State Labor Law, any other applicable Legal Requirements, any insurance policy or requirement or otherwise. Unit Owners are also prohibited from making any repair or alteration, which would void any warranty covering the Building's windows. (See the Sections entitled "Introduction" and "Rights and Obligations of Board of Managers and the Unit Owners" in Part I of the Plan for further discussion).

14. LOT LINE WINDOWS

Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where others own the adjacent property. 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 lawful use of such 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 with such materials as are acceptable to the Building Department, government regulatory agencies, and the Condominium. The cost to close-up any lot line windows, if necessary, shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units), which cost is currently estimated to be approximately $5,000.00 per window. Neither Sponsor, Sponsor's architect, the Board of Managers nor any other Person who took part in this offering plan will have any liability or obligation if the closing-up of any or all lot line windows is required. (See the section entitled "Description of the Property and Building Condition" set forth in Part II of the Plan for details).

There are four (4) lot windows directly on lot line to the west, that will contain openings three (3') feet from the interior lot lines. Two (2) windows provide light and air to the kitchen and master bedroom on the 5th floor of the penthouse unit and two (2) lot line windows provide light and air to the master bedroom on the 6th floor. The lot line windows do not exceed ten (10%) percent of the area of the façade of either the 5th or 6th floor. The lot line windows are manufactured by Imperial Euro Windows Inc. and are comprised of double insulated glass panes, wood framing, weather strips, and are protected by an approved water curtain using automatic sprinklers approved for that use and installed in accordance with NFPA 13 as modified in Appendix Q (per section 705.8.2 of the 2014 New York City Building Code, Exception for R-2 Occupancy group). These lot line windows are not used to satisfy required natural light or ventilation, and comply with all noted New York City codes within Occupancy group R-2. There are no thermal break systems in the windows.

There is a restrictive declaration filed with the New York City Department of Finance Office of the City Register on 11/14/2016, CFRN # 2016000399009, pertaining to the lot line windows (described in Section H.1.1.ii) on the 5th and 6th floor, stating:

> "If any building neighboring Building is hereafter altered or constructed to come within a distance of less than sixty (60') feet in direct line (whether

horizontally, vertically or diagonally) of any exterior openings in the West wall of the Building from the 5th to the 6th above grade floors, then said exterior wall opening which fall within said distance limitation shall promptly be closed with construction meeting the fire resistance rating requirements for an exterior wall of the Building as provided in the Building Code and all other applicable laws, ordinances, codes, rules and regulations."

15. RETAIL UNIT

No representation is made (a) with respect to the future ownership or tenancies of all or any portion of the Retail Unit and (b) that the owners, tenants, occupants, or other users of the Retail Unit will not be objectionable to Residential Unit Owners, their Permitted Users, or any other parties. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Retail Unit is subject to the following restrictions the Retail Unit may not be used for any of the following purposes at any time: (i) a cabaret, a nightclub, or any use involving continuous live or recorded music, entertainment, and/or dancing, (ii) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (iii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iv) for any use that is primarily concerned with lewd or prurient sexual activity, (v) a homeless shelter or any center offering food or other special services to the homeless. With the exception of the foregoing restrictions and limitations, the Retail Unit may otherwise be used for any purpose permitted by Law and no representation is made with respect to the uses to which any portion of the Retail Unit may be put at any time. The uses of the Retail Unit may generate noise, traffic, fumes, odors, vibrations, or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Retail Unit. The backyard Limited Common Element attributed to the Retail Unit may not be used for any permanent occupancy condition.

The Retail Unit Owner shall be solely responsible for its own waste, trash and recycling. The Retail Unit Owner shall make its own choice of disposal of its refuse and recycling from a private sanitation and recycling company that provides service to the area where the Condominium is located.

The Retail Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements or elsewhere on the Property (i) for the purpose of accessing the Retail Unit or any portion of the Building servicing the Retail Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace pipes, wires, ducts, vents,

cables, conduits or other lines, equipment or facilities forming a part of or servicing the Retail Unit.

The Retail Unit Owner and its Permitted Users shall have the right, without the approval of the Board of Managers, the Managing Agent, other Unit Owners, or Mortgage Representatives, if any: i) Without amendment to the Plan, to subdivide and/or combine the Retail Unit and/or change the Retail Unit in size by relocating a boundary wall between Retail Unit, but only to the extent such subdivision and/or combination does not modify or in any way impact the exterior facade of the Building. In the event of a subdivision, combination, and/or change in size of the Retail Unit, the Retail Unit Owner shall additionally have the right to reapportion among the affected Retail Unit(s) their respective Common Interests. Any additional condominium units created as a result of a subdivision of the Retail Unit will retain the same rights, privileges, and benefits afforded the original Retail Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of the Retail Unit, the Retail Unit Owners shall have the right to designate, collectively, only one (1) member to the Board of Managers; ii) To alter, modify, and/or restore the windows of the Retail Unit, including without limitation any storefront, to the extent that such alteration, modification, and/or restoration does not modify or in any way impact the exterior facade of the Building and is approved by the Board of Managers. The Board of Managers approval shall be required for all Retail Unit alterations with the exception of Sponsor.

Subject to prior Board of Managers approval, in its sole discretion (with the exception of Sponsor, its affiliates, and its Permitted Users, who alone shall be exempt from Board of Managers approval), the Retail Unit Owner and its Permitted Users shall have the right and, if applicable, an easement:

i) To erect, maintain, repair and replace any signs and/or lighting in the windows and/or storefront in the Retail Unit for the purposes of advertising (a) the sale or rental of all or any portion of the Retail Unit or (b) the operation of any business for which the Retail Unit is used.

ii) To use the sidewalk adjacent to the Retail Unit for any purposes permitted by Law, including without limitation food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrance to the Building is not impeded by such use. In the event the Retail Unit Owner utilizes a sidewalk adjacent to the Retail Unit, the maintenance, replacement, and repair of the sidewalk during the period of use, together with all costs and expenses associated therewith, shall be the responsibility of the Retail Unit Owner.

The designation right held by the Retail Unit Owner permitting the Retail Unit Owner to appoint one (1) member to the Condominium Board of Managers is a special risk of this

offering plan because the Retail Unit Owner may have interests that differ from those of the Residential Unit Owners.

See the Section of the Plan entitled "Retail Unit" in Part I for details.

16. UNIT MEASUREMENTS

The actual area comprising each unit is significantly less than the area listed in Schedule A. Each residential unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators, and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, (i) columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits in all Residential Units, where provided are not deducted from the measurement of each Residential Unit; (ii) elevator shafts, exit corridors and stairwells on the full floor unit floors are not deducted from the measurement of each Residential Unit; and iii) 50% of the elevator shaft and 50% of the exit corridor on the non-full floor unit floors are included in the measurement of each Residential Unit. Each Residential Unit consists of the area measured vertically from the top of the finished floor to the underside of the finished ceiling. Each terrace/loggia/balcony includes the parapet.

The Retail Unit is measured horizontally from the exterior face of the exterior walls (perimeter columns and mechanical shafts are included), to the centerline of any partitions (including concealed metal studs, block work, masonry, columns, and mechanical pipes and ducts and their enclosures within these partitions) separating the Unit from the residential lobby, from stairs, from elevators, and other mechanical equipment or shaft spaces, including niche areas. Each Retail Unit is measured vertically from the top of the finished floor to the underside of the finished ceiling.

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

Floor Plans depicting layouts of Units and the Common Areas appear in Part II of the Plan. The custom here applies and square footages exceed the usable floor area of each Unit. (See the "Footnotes to Schedule A" set forth in Part I of the Plan and the

"Description of the Property and Building Condition" set forth in Part II of the Plan for details).

17. CLOSING FEES

Purchasers shall be required to pay (i) certain closing fees to attorney(s) for Sponsor at Closing, and (ii) all New York City Real Property Transfer Tax ("RPT Tax"), New York State Real Estate Transfer Tax ("State Transfer Tax") and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax" imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax.

The closing fees charged by the attorneys for the Sponsor in connection with the closing of sales of units in this Plan presents a special risk of this Plan because the closing fees will be charged to Purchasers and the closing fees will be required in addition to the all other closing costs that Purchasers may be charged by lending institutions, banks, attorneys, title companies, and other third parties.

Purchasers will be charged the following closing fees by the attorneys for the Sponsor in connection with the closing of sales of units:

i. $1,750.00 for preparation of documents.

ii. $150.00 for each closing where the purchaser receives financing from an institution or other lender, for services in connection with coordinating the closing.

iii. $250.00 attendance fee if at the request of purchaser or his, her, or their lender the closing is held other than the space designated by Sponsor's attorney, but in the Borough of Brooklyn. There will be an additional fee charged based on the distance and time if at the request of Purchaser or Purchaser's lender or attorney a closing is held outside the Borough of Brooklyn.

iv. $150.00 if the closing is adjourned by other than the Sponsor or Sponsor's attorney within forty-eight (48) hours of the time said closing has been scheduled, or $250.00 if the Sponsor's attorney or its representative attends the Closing and the Closing is adjourned.

v. $250.00 if a default notice is sent to Purchaser pursuant to the terms of an executed Purchase Agreement.

vi. $800.00 if the Purchase Agreement is permitted to be assigned pursuant to the terms of the Offering Plan for processing the assignment and the documents relating thereto.

vii. $350.00 if the purchaser requests an Interim Lease for the preparation of such document, if granted, payable to the attorneys for the Sponsor, which shall be payable at the execution of such Lease.

viii. There will be an additional fee of $250.00 for the review of a title report from any title insurance company, abstract company or agent requested by Purchaser or Purchaser's lender or attorney.

The State Transfer Tax is currently equal to $2.00 per $500.00 of the bulked up consideration and the RPT Tax is currently equal to 1.00% of the bulked up consideration where the bulked up consideration is $500,000.00 or less and 1.425% where the bulked up consideration is greater than $500,000.00. See the Section of the Plan entitled "Unit Closing Costs and Adjustments" for details.

Beginning on July 1, 2019, certain conveyances of real property or interests therein, located in New York City (other than a conveyance made pursuant to a binding written contract entered into on or before April 1, 2019) are also subject to the following taxes:

- A tax of $1.25 for each $500.00, or fractional part thereof, when the consideration for the entire conveyance of residential real property is $3 million or more ("additional base tax").
- An additional base tax of $1.25 for each $500.00, or fractional part thereof, when the consideration for the entire conveyance of property **other than** residential real property is $2,000,000.00 million or more.

A supplemental tax on the conveyance of residential real property, or interest therein, where the consideration is $2,000,000.00 million or more. The tax rate is an incremental rate between 0.25% and 2.9% based on the purchase price. The rates are published in Form TP-584-NYC-I, *Instructions for Form TP-584-NYC*.

18. SPONSOR CONTROL OF THE BOARD OF MANAGERS

The By-Laws of the Condominium provide that the Sponsor may exercise veto control of the Board of Managers for a period ending not more than five (5) years after the closing of the first unit or whenever the unsold units constitute less than twenty-five (25%) of the common interests, whichever is sooner. There is no provision in the By-Laws that a majority of the Board of Managers must be owner-occupants or members of an owner-occupied household who are unrelated to the Sponsor and its principals after the end of the initial control period. Owner-occupants and non-resident owners, including the

Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, for example, with the purchase of a home as opposed to an investment, Sponsor will have voting control over the Board of Managers until at least sixty (60) days after the closing of title to Units whose aggregate Common Interest equals more than fifty (50%) percent ("Initial Control Period"). The Sponsor reserves the right to relinquish voting control of the Board of Managers prior to the expiration of the Initial Control Period.

After the Initial Control Period, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

The Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period.

During the Initial Control Period, Sponsor will designate a majority of the Residential Members and shall have voting control of the Board of Managers. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, The Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Board of Managers after the Initial Control Period. For so long as Sponsor shall continue to own Unsold Residential Units representing at least twenty-five (25%) percent in number of all Residential Units, but in no event later than five (5) years after the First Closing, the Board of Managers may not take any of the following actions without Sponsor's prior written consent: (1) make any addition, alteration or improvement to the Common Elements or to any Unit, or (2) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of working capital, reserve, contingency or surplus fund, or (3) increase or decrease the number of or change the kind of employees from those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (4) borrow money on behalf of the Condominium, or (5) exercise a right of first refusal to lease or purchase a Unit, provided, however, that (6) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget, and (7) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (1) through (6) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (a) comply with Law; or (b) remedy any notice of violations; or (c) remedy any work order of the Condominium's insurer; or (d) ensure the health and safety of the occupants of the Condominium. The Sponsor may not exercise veto power and control over the expenses described in Schedule B or over the expenses necessary to take the actions described in items a through d described in the paragraph above.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Board of Managers. There is no restriction on the right of the Sponsor to vote for Residential Members of the Board of Managers who are not related to or affiliated with Sponsor.

As noted above the Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period.

See the Sections of Part I of the Plan entitled "Control By Sponsor" and "Board of Managers" for details.

19. PURCHASE OF A CONDOMINIUM UNIT

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

At the time the purchase for a Unit is executed, a purchaser is required to make a down payment in an amount equal to ten (10%) percent of the purchase price, or such lesser amount as shall be agreed upon. In the event of any default by a purchaser under his, her or their Purchase Agreement, Sponsor, at its option, may either (i) cancel such Purchase Agreement and retain, as liquidated damages, the down payment made by the purchaser, together with interest earned thereon, if any, or (ii) bring an action against the purchaser for specific performance in the event purchaser could be compelled to complete the transaction. (See Procedure to Purchase" in Part I of the Plan for further discussion). The right to specific performance is contained in the Purchase Agreement. If purchaser fails to make any such payments when required or fails to perform any of purchaser's other obligations under the Purchase Agreement and does not cure said default within thirty (30) days after Sponsor gives written notice to purchaser of Sponsor's intention to cancel the Purchase Agreement, Sponsor may, at its option, cancel the Purchase Agreement. If Sponsor elects to cancel the Purchase Agreement as provided for in the

preceding sentence, Sponsor shall retain as and for liquidated damages all sums deposited by purchaser under the Purchase Agreement, with any interest accrued thereon, if any.

TIME IS OF THE ESSENCE as to Purchaser's obligations under the Purchase Agreement, including, without limitation for the payment of all down payments. According to Black's Law Dictionary (revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

Down payments shall be deposited at Capital One Bank, 341 Eastern Parkway, Brooklyn, New York 11238 in the account of Damion M. Sanders, Esq. Offering Plan Escrows Attorney Trust Account. Under current law, if a Purchaser makes a down payment in excess of $250,000.00 for the purchase of a Residential Unit, the amount in excess of $250,000.00 will not be federally insured. If a Purchaser maintains accounts at the Escrow Bank, the funds in such accounts, together with the down payment, may be aggregated by the Escrow Bank for purposes of determining the $250,000.00 federally insured limit. Additionally, until such time as Purchaser delivers either an executed W-9 Form or W-8 Form to Sponsor, the down payment shall remain non-interest bearing. Until the down payment is transferred into an interest-bearing sub-account, the down payment may not be federally insured, even if the down payment does not exceed $250,000.00. No representation is made with respect to any further changes in Law concerning such accounts. Purchasers should consult with their accountants, attorneys or financial advisors for further information.

If the Purchaser fails for any reason to close title to the Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of Part I of the Plan entitled "Procedure to Purchase" for details.)

For so long as Sponsor owns an Unsold Unit, a Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such

Residential Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale or rental. (See the Section in Part I of the Plan entitled "Procedure to Purchase" and the see also the "Purchase Agreement" set forth in Part II of the Plan for details.)

20. FOREIGN GOVERNMENT PURCHASER

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) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchaser Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchaser Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to two (2) years' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date of the Residential Unit, which will be in addition to the required contribution to the Working Capital Fund. Such amount shall 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 the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Board of Managers 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 Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Board of Managers the amount so applied or retained so that such Board of Managers has the full amount of said security on hand at all times.

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

21. NO BOND OR OTHER SECURITY POSTED

As of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. No bond or other security has been posted by Sponsor to secure Sponsor's obligations under the Plan.

22. TEMPORARY CERTIFICATE OF OCCUPANCY

Purchasers are advised that in New York City, newly constructed and newly renovated or substantially renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building, but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Section 301 of the New York State Multiple Dwelling Law and the local building codes and rules generally govern certificates of occupancy. Both TCOs and PCOs are issued by the New York City Department of Buildings (the "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 TCOs have an expiration date. A TCO typically expires ninety (90) days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to obtain 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. The Sponsor anticipates that this scenario will occur. The Sponsor will undertake the responsibility to renew or extend each TCO prior to its expiration, and for ultimately obtaining a PCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. Sponsor does not make any representation that the DOB will issue the PCO within such two (2) year period. NOTWITHSTANDING THE FOREGOING, SPONSOR IS OBLIGATED TO PROCURE THE PCO FOR THE BUILDING AND SHALL EXERCISE BEST EFFORTS TO OBTAIN THE PCO WITHIN SUCH TWO (2) YEAR PERIOD WHILE KEEPING A CURRENT TCO. Unit Owners and the Board of Managers shall be obligated to cooperate with, and refrain from obstructing, Sponsor in these undertakings.

Because the first closing may occur prior to the issuance of a PCO Sponsor shall maintain all deposits, down-payments or advances made by purchasers of residential units in a special escrow account pending delivery of the completed apartment or unit and a deed or lease, whichever is applicable, unless insurance of such funds in a form satisfactory to the attorney general has been obtained prior thereto.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor is obligated to procure the PCO.

However, the Sponsor or the Board of Managers may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of

Occupancy is currently available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit.

As such, each Purchaser shall be required to close the title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of Part I of the Plan entitled "Terms of Sale".

23. SPECIAL ALLOCATION OF CERTAIN COMMON EXPENSES

Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§ 339(i)1(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, 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 of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the Retail Unit Owner. The Common Charges have been allocated between the Residential Unit Owners and the Retail Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated to only certain categories of Units, such circumstances are set forth in the "Footnotes to Schedule B" section in Part I of the Plan. Also see the Schedule B and the Section of Part II of the Plan entitled "By-Laws" in Article VI, Section 5 and Section 6. The special allocation of certain common expenses to certain categories of units may have a negative financial impact on the individual unit(s) that are subject to the special allocation. The procedure for amending the special allocation provision of the By-Laws is the same as those otherwise provided for amending the By-Laws in the Plan.

24. EFFECTIVENESS OF THE PLAN

Pursuant to the Law, the Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of fifteen (15%) of the Units offered for sale (i.e., one residential unit based on the five units offered for sale and their respective square footages and dimensions as defined in the Description of the Property and

Building Condition in Part II of the Plan). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. (See the Section of the Plan entitled "Effective Date" for details).

25. PURCHASE AGREEMENT NOT CONTINGENT ON FINANCING

Although a Purchaser may obtain financing from any lending institutions or other source, Purchaser's obligation to purchase a Residential Unit is **not** contingent on Purchaser obtaining financing. The obligations of a Purchaser are not conditioned on obtaining financing. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Any prospective Purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur **on or around June 1, 2020, which is no sooner than six (6) months after the submission date of the Plan** , neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and/or the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units in a building or group of buildings be sold before a lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulties in obtaining a loan in a building or group of buildings where the percentage purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

Even after the Building has been submitted to a condominium regime, lenders may still impose minimum sales and/or owner-occupancy requirements before granting a loan. It

then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements.

26. SPECIAL RIGHTS OF SPONSOR

The Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications 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 facade of the Building and elsewhere on the Common Elements (excluding Terraces and Ancillary Amenities appurtenant to Residential Units) 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 Property, including for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. The Sponsor shall retain the advertising and signage rights in and to the exposed exterior building walls including more specifically the east facing exterior building wall facing 7th Avenue and visible from 7th Avenue. The Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owner and/or Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. The Sponsor's rights and easements as set forth herein shall terminate upon the date that the Sponsor ceases to own any Unsold Units in the Condominium. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

The Sponsor is reserving the right to delay the collection of Common Charges for the Condominium. During any such period of delay in the collection of Common Charges, the Sponsor will timely pay all of the expenses of the Condominium, including, but not limited to, the insurance premiums and any reserve fund payments. Such expenses shall not include the individual unit owner expenses such as real estate taxes, utility charges, charges for individual unit services, etc. Upon the commencement of collection of Common Charges by the Sponsor, there will not be an assessment by the Sponsor or the Condominium Board for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by the Department of Law governing documents. In the event that the Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or in a statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of the delay. Prior to commencing the collection of Common Charges, the Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty

(30) days prior to the commencement of the collection of Common Charges. Thereafter the Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent purchasers.

The Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of 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 Unit Owner or Purchaser, increase any obligation of Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially equal or better quality. 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. 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. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the common elements.

Any material and adverse modifications, addition or change will be reflected in a duly filed amendment to the Plan, and when applicable, to the Declaration. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the 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 or Units" for details).

No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Residential Rules and Regulations or House Rules (other than those required by Law) shall be effective (a) against Sponsor, unless Sponsor has given its prior written consent, or (b) to adversely affect the Retail Unit Owner, unless the Retail Unit Owner has given its prior written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Board of Managers and Unit Owners" for details).

27. FUTURE CONSTRUCTION

No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any window and/or terrace and/or any balcony in the Building. (See the Section of the Plan entitled "Location and Area Information" for details).

28. LEAD-BASED PAINT AND/OR LEAD-BASED HAZARDS

Buildings constructed prior to 1979 may contain lead paint and buildings constructed before 1960 are presumed to contain lead paint. The ingestion of lead paint poses serious health risks, especially in young children. Purchasers are advised to familiarize themselves with New York City Local Law 1 of 2004, a copy of which is included as an Exhibit to this Plan. Purchasers for investment are advised that there are certain occupancy and turnover requirements contained therein. Purchasers of a Unit for their own occupancy, particularly those with young children, are additionally advised to consult with a professional to determine the existence of lead paint, and any appropriate remediation for lead paint.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, the Sponsor must provide Purchasers with all available records and materials pertaining to lead-based paint and/or lead-based hazards in the Building. The Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. A copy of the booklet issued by the United States Environmental Protection Agency (EPA), which details certain information regarding lead-based paint must be provided at any closing or final transaction. In accordance with the terms of the rider that must be annexed to the Purchase Agreement, Purchasers have the right to inspect their Residential Units for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Building, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Building. In addition, there are remnants of paint on the walls of the original building. Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. (See the Section of Part I of the Plan entitled “Sponsor’s Statement of Building Condition” and the Section of the Plan entitled Purchaser Agreement set forth in Part II of the Plan for further details).

29. ASBESTOS

The Sponsor has engaged TSL Building Service Inc. to perform such tests as are necessary to determine whether asbestos containing material (“ACM”) is present in insulating or fireproofing material in the Building. Such firm has delivered an Asbestos Assessment Report, a copy of which is set forth in the section of the Plan entitled “Asbestos Report” in Part II of the Plan. All ACM described in the Asbestos Assessment Report has been removed in accordance with the Law and no asbestos remains in the Building.

30. EXCESS AIR AND DEVELOPMENTAL RIGHTS

The Sponsor does not anticipate that any Excess Air and Developmental Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights, which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Development Rights that could result from such changes. Neither the Board of Managers nor any Unit Owner (other than Sponsor or Development Rights Owners) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premise, the light and air of the Building and views from Units and/or Terraces and/or balconies may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See the section of Part I of the Plan entitled "Rights and Obligations of Sponsor" and the "Declaration" in Part II of the Plan for details).

31. MARKETING MATERIALS

In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

32. WOOD MATERIALS

Purchasers should note that natural materials used as finishes have certain inherent risks associated with such use. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. The Residential Units will be delivered with wood floors, which should not be washed with water and need to be maintained in accordance with the manufacturer's recommendations. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: appearance of cracks between floor boards, squeaks, variation in color, variation in wood grain, texture, occurrence of knots and cupping. Purchasers should also note that since wood is a product of nature, it can have a great deal of variability in color, grain, texture

and appearance. Cracks, occurrence of knots, and grain variation are more noticeable in light colored wood flooring. Furthermore, wood flooring is affected by sunlight and often fades and changes with use and age. Some woods darken and some lighted when exposed to light. Wood flooring can also dent. Protective felt pads and protective sheeting such as plywood or Masonite should always be used when placing furniture or appliances. A wet mop should never be used on wood flooring because it can cause warping and cracking. Standing water will cause cupping, swelling, and subsequent gapping. (See the Sections of the Plan entitled "Rights and Obligations of Sponsor" and "Rights and Obligations of the Board of Managers and the Unit Owners" for further details).

33. PRINCIPALS OF SPONSOR HAVE EXECUTED THE CERTIFICATE OF SPONSOR AND PRINCIPALS FOR COMPLIANCE WITH THE MARTIN ACT AND GOVERNING REGULATIONS

Consistent with a First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or 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 Thompsons Street Condominium v. 184 Thompson Street Owner LLC. et al, A.D. 3d 542 (1st Dept. 2013).

34. INSURANCE

The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, liability and flood insurance) have increased significantly. Although the projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No guarantee is given that insurance premiums will not increase.

Sponsor does not make any representations that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

35. DISCLOSURE CONCERNING TIMING OF CLOSINGS AND THE FIRST CLOSING

The Sponsor anticipates that the first closing of a unit will occur on or around June 1, 2020. Purchasers will be offered a right of rescission if: (i) the actual date of closing of

title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than May 31, 2021, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date.

However, if the first unit closing occurs before May 31, 2021, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless the Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule the closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain.

PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

36. CONDOMINIUM BOARD OF MANAGERS' RIGHT OF FIRST REFUSAL

The Condominium Board of Managers has a right of first refusal to purchase or lease any Unit on the same terms and conditions of any bona fide offer for the sale or lease of a Unit that the Unit Owner intends to accept. See Part II of the Plan in the Condominium By-Laws Article VIII, section 1 for further details on the Condominium Board Right of First Refusal.

37. TAX LOT APPORTIONMENTS

Purchasers are required to pay all taxes, including real estate taxes, for their individual unit(s). If at the time of conveyance of title to any Units, the City of New York has not yet designated and separately assessed each Unit, purchasing Unit Owners will be required to pay their relative percentage of the total tax on the building pro rata, as if the same were a common charges until such separate assessments have been accomplished. Such payments will be required to be made to the Board of Managers at least thirty (30) days prior to the time such taxes are due. The projected real estate taxes for the first year of operation contained in the Schedule A are based on an assessment of the Building before the completion of construction. Purchasers should be aware that real estate taxes may increase materially when the Building is reassessed after construction is completed.

38. SERVICES AND FACILITIES

The use of the services and facilities shall be restricted to individuals who reside in a Residential Unit in the Building (i.e. a Residential Unit Owner or permitted tenant) and such individual's guests, provided that such Residential Unit Owner or permitted tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board of Managers, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service as applicable.

The use of the services and facilities in the Building are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board of Managers, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service as applicable. Any such adjustments, restrictions and/or imposition of fees must be made in accordance with the applicable law and disclosed in an amendment to the Plan. The Board of Managers right to make the adjustments to the use of the services and facilities and/or impose usage fees and restrictions is a **special risk** of this Plan.

Purchasers will be required to separate their respective recycling from their respective trash/waste and place their respective trash, recycling, and other waste into the appropriate receptacles for disposal.

The Retail Unit Owner shall be responsible for their own refuse and recycling disposal through their choice of private sanitation and recycling companies that service the area where the Condominium is located.

39. WATER USAGE BY THE RETAIL UNIT

Water charges and sewer rents for the Retail Unit will not be separately metered, however the Board of Managers may elect to hire a service provider to install a water consumption meter to individually assess the Retail Unit water consumption. The Board of Managers may in turn charge the Retail Unit with the Unit's pro rata share of water consumption charges, as well as the cost of the service provider to monitor the Retail Unit consumption. Because the Retail Unit is not separately metered and may consume more water than anticipated to operate its business the water usage by the Retail Unit is a special risk of this Plan.

40. INTERIM LEASES

The inability of a person who takes possession pursuant to an interim lease to obtain insurance is a special risk of this Plan. A person in possession who is not an owner cannot insure a Unit since he or she has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance.

The Plan contains a cross default provision exists between the Purchase Agreement and the Interim Lease, which is a special risk of the Plan. A default under the Interim Lease occurs if the tenant fails to comply with all the terms and conditions of his, her, or their obligations under the Purchase Agreement. And also a default occurs under the Purchase Agreement if the Purchaser has entered into an Interim Lease with the Sponsor and has

failed to comply with all the terms and conditions of such Interim Lease. See the section in Part I of the Plan entitled "Interim Leases" for greater detail.

41. WAIVER OF JURY TRIAL

The Plan contains a waiver of jury trial stating that except as prohibited by law, the parties expressly 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, or move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

42. COSTS OF DEFENDING THE PURCHASE AGREEMENT

The Plan requires the Purchaser to reimburse Seller for any legal fees and disbursements incurred by the Seller in defending the Seller's rights under the Purchase Agreement or, in the event the Purchaser defaults under the Purchase Agreement beyond any applicable grace period, in cancelling the Purchase Agreement or otherwise enforcing the Purchaser's obligations under the Purchase Agreement, provided Seller is deemed the prevailing party in any such dispute or action.

43. RELATIONSHIP BETWEEN MANAGING AGENT AND THE TRUSTEE PRINCIPAL OF THE SPONSOR

A principal of Kaito Management Corp., the real estate management company engaged by the Sponsor to manage the Condominium act as the Managing Agent, is the son of the trustee principal of the Sponsor. The relationship and affiliation between the trustee and a principal of the Managing Agent is a special risk to purchasers that the Sponsor must disclose in this section.

44. LEGAL FEES

The budget for the first year of operation includes a provision for legal fees. However the provision in the budget allocates only $500.00 and only for minor legal services, which may not be sufficient to cover legal fees incurred by the Condominium. Attorneys, litigation, and legal services are expensive and attorneys generally bill hourly for their time and also bill their clients for all services, costs, and disbursements, including, but not limited to, copying, facsimiles, filing fees, telephone calls, travel, court fees, and other costs of performing legal work. Purchasers must consider the amount provided in the budget for minor legal services as a special risk of this Plan because in the event that the amount is not sufficient to cover the cost of legal services the Condominium Board of Managers may be required to increase Common Charges or introduce a special assessment to cover the cost of legal services that exceed amount provided in the budget.

45. PROHIBITION AGAINST ADVERTISING

The Purchase Agreement contains a prohibition against advertising. For so long as Sponsor owns an Unsold Unit, Purchaser is prohibited under the terms and conditions of this Agreement for a period of twelve (12) months from the First Closing (including without limitation the time period between the date of this Agreement and the Closing of Title, to the extent applicable) from taking any of the following actions without the Sponsor's written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be a default by Purchaser, entitling the Sponsor to the default remedies set forth in this Agreement. The provisions of this section shall survive Closing of Title. This provision is only applicable during the twelve (12) month period following the First Closing and shall not apply to any Purchasers who close title to a Unit after the twelve (12) month period following the First Closing has elapsed. The prohibition against advertising in the Purchase Agreement is a **special risk** of this offering plan.

46. TILE TREATMENT

The tile in this Plan requires annual treatment with sealant and regular cleaning to preserve its integrity. The master bathrooms in Unit 2, Unit 3, Unit 4, and the Penthouse (both floor 5 and floor 6 master bathroom), and the lobby entrance foyer will have floors made of cement tile. The Penthouse Unit master bathroom on floor 6 is equipped with marble tile. The marble should be sealed annually or more frequently depending on use to avoid staining and/or discoloration. The Purchaser is responsible for performing the distributer recommended annual tile sealing in the Unit. The tiles should be sealed annually or more often depending on use to avoid staining and/or discoloration.

47. HOUSING MERCHANT IMPLIED WARRANTY DISCLOSURE

The Housing Merchant Implied Warranty governed by Article 36-B of the New York General Business Law in §§ 777, 777-a, and 777-b (the "Housing Merchant Implied Warranty") is applicable to this Unit. The Housing Merchant Implied Warranty is incorporated by reference into this Purchase Agreement and is included in Part II of the Condominium Offering Plan. To the extent that the Housing Merchant Implied Warranty does not apply to a multi-unit residential structure of six stories the Sponsor has elected to limit the Housing Merchant Implied Warranty against certain defects otherwise applicable only to a multi-unit residential structure of five stories or less.

THERE IS A POSSIBILITY THAT ALL UNITS AND COMMON AREAS MAY NOT BE COMPLETED PRIOR TO CLOSING OF TITLE TO THE FIRST UNIT. HOWEVER THE SPONSOR ANTICIPATES THAT ALL CONSTRUCTION WILL

BE COMPLETED BY MAY 15, 2020. IN ADDITION, THE OFFERING PLAN PERMITS CLOSING OF TITLE TO UNITS BEFORE THE ISSUANCE OF A PERMANENT CERTIFICATE OF OCCUPANCY FOR THE UNIT. ANY ONGOING CONSTRUCTION WORK PERFORMED AFTER THE FIRST CLOSING SHALL NOT RENDER UNINHABITABLE ANY UNIT FOR WHICH TITLE HAS CLOSED.

UNITS AND COMMON ELEMENTS OFFERED PURSUANT TO THIS OFFERING PLAN ARE SOLD "AS IS". NEITHER SPONSOR, ITS AGENTS AND SUCCESSORS NOR ANY OTHER OFFEROR HEREUNDER MAKES ANY WARRANTY WHATSOEVER REGARDING MATERIALS, WORKMANSHIP OR ANY OTHER ASPECT OF THE UNITS, COMMON ELEMENTS OR ANY PORTION THEREOF.

AS SET FORTH IN THE SECTION OF THE PLAN ENTITLED "RETAIL UNIT," THE RETAIL UNIT CONSISTS OF SPACE ON THE FIRST FLOOR OF THE BUILDING. NO REPRESENTATION IS MADE WITH RESPECT TO (A) THE USES TO WHICH THE RETAIL UNITS OR ANY PART THEREOF MAY BE PUT AT ANY TIME OR (B) WHO WILL OPERATE, OR OCCUPY AS TENANT, THE RETAIL UNIT OR ANY PART THEREOF AT ANY TIME. ADDITIONALLY, THE RETAIL UNIT OWNER SHALL HAVE THE RIGHT TO MAKE ALTERATIONS, ADDITIONS, IMPROVEMENTS OR REPAIRS SUBJECT TO THE APPROVAL OF THE BOARD OF MANAGERS AND WITHOUT PAYING ANY COST OR CHARGE TO THE BOARD OF MANAGERS AND SPONSOR SHALL BE EXEMPT FROM SAID APPROVAL. ALL ALTERATIONS SHALL REQUIRE THE APPROVAL OF THE BOARD OF MANAGERS, EXEPT THOSE PERFORMED BY THE SPONSOR AND EXEMPT UNDER THE TERMS OF THE PLAN.

IF PURCHASER DEFAULTS UNDER THE PURCHASE AGREEMENT, SPONSOR SHALL NOTIFY PURCHASER IN WRITING OF SUCH DEFAULT AND ADVISE PURCHASER THAT HE OR SHE HAS THIRTY (30) DAYS FROM THE MAILING DATE OR PERSONAL DELIVERY OF SUCH NOTICE WITHIN WHICH TO CURE SUCH DEFAULT. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD. "TIME IS OF THE ESSENCE" MEANS THAT IF SUCH DEFAULT IS NOT CURED WITHIN THIRTY (30) DAYS FROM THE MAILING DATE OR PERSONAL DELIVERY OF SUCH WRITTEN NOTICE, SPONSOR MAY (BUT SHALL NOT BE OBLIGATED TO) ELECT TO CANCEL THE PURCHASE AGREEMENT. IN SUCH EVENT THE MONIES HELD BY THE AGENT, BUT NOT MORE THAN TEN (10%) PERCENT OF THE PURCHASE PRICE SHALL BE PAID OVER TO THE SPONSOR AS LIQUIDATED DAMAGES AND THEREAFTER THE PURCHASE AGREEMENT SHALL BECOME NULL AND VOID. NOTWITHSTANDING THE ABOVE, SPONSOR MAY RECEIVE THE ACTUAL

COSTS INCURRED FOR ANY SPECIAL WORK ORDERED BY PURCHASER AS A PART OF ITS LIQUIDATED DAMAGES EVEN THOUGH THE TOTAL AMOUNT OF LIQUIDATED DAMAGES THEREBY EXCEEDS TEN (10%) PERCENT OF THE PURCHASE PRICE. THE SPONSOR RESERVES THE RIGHT TO SEEK SPECIFIC PERFORMANCE IN THE EVENT OF A DEFAULT BY PURCHASER.

THE SPONSOR RESERVES THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS.

IT IS POSSIBLE THAT SPONSOR MAY APPLY FOR TAX BENEFITS. HOWEVER, NO REPRESENTATION IS MADE THAT SPONSOR WILL APPLY FOR SUCH BENEFITS. SPONSOR SHALL IN NO WAY BE OBLIGATED TO APPLY FOR SUCH BENEFITS. THE SPONSOR SHALL PROMPTLY AMEND THE PLAN IN THE EVENT THAT THE SPONSOR MAY ELECT TO APPLY FOR TAX BENEFITS.

THE HOUSING MERCHANT IMPLIED WARRANTY GOVERNED BY ARTICLE 36-B OF THE NEW YORK GENERAL BUSINESS LAW IN SECTIONS 777, 777-A, AND 777-B (THE "HOUSING MERCHANT IMPLIED WARRANTY") IS APPLICABLE TO THIS PROPERTY. THE HOUSING MERCHANT IMPLIED WARRANTY IS INCORPORATED BY REFERENCE INTO THE PURCHASE AGREEMENT AND THE SPONSOR'S OFFERING AND IS PROVIDED IN PART II OF THE PLAN. TO THE EXTENT THAT THE LAW DOES NOT APPLY TO A MULTI-UNIT RESIDENTIAL STRUCTURE OF SIX STORIES THE SPONSOR HAS ELECTED TO LIMIT THE HOUSING MERCHANT IMPLIED WARRANTY AGAINST CERTAIN DEFECTS OTHERWISE APPLICABLE ONLY TO A MULTI-UNIT RESIDENTIAL STRUCTURE OF FIVE STORIES OR LESS PURSUANT TO ARTICLE 36–B OF THE NEW YORK GENERAL BUSINESS LAW. THE RIGHTS AND OBLIGATIONS OF SPONSOR ARE IN PART I OF THE PLAN, AND CAN ALSO BE FOUND IN THE PURCHASE AGREEMENT, IN PART II OF THE PLAN.

INTRODUCTION

THE HOMAGE ON 3RD, LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of New York. The Sponsor is the owner of the property. The Sponsor acquired the property on March 11, 2016. The Sponsor presents this Offering Plan, as the same maybe amended from time to time (the "Plan"), for the establishment of Condominium ownership of the land and building known as 497 3rd Street, Brooklyn, New York 11215 pursuant to the Condominium Act. The Condominium will be known as The Homage on 3rd Street Condominium and located at 497 3rd Street, Brooklyn, New York 11215. The building is located in the Park Slope section of Brooklyn. The building is convenient to shopping and transportation with easy access to Manhattan, the other boroughs, and the tri-state area. The building contains four (4) Residential units and one (1) Retail unit and five (5) Storage Rooms (see "Schedule A – Offering Prices & Related Information" in this Offering Plan for prices). The Storage Rooms are referred to as Ancillary Amenities and the Residential Units and Retail Unit are collectively referred to as the "Units".

The Sponsor is retaining the unconditional right to rent Unsold Units. Because of such unconditional right Sponsor makes no commitment to sell more than fifteen (15%) of the Units to declare the Plan effective and owner occupants may never gain effective control and management of the Condominium. Since the Sponsor has not utilized a construction loan to renovate the Building, there is no restriction on Sponsor's right to rent units. (See the "Control By The Sponsor" section in Part I of the Plan for further discussion).

Of the four (4) residential units and the one (1) retail unit in the building to be sold, no Unit is subject to the Rent Stabilization Law. (See "Schedule A – Offering Process & Related Information" in this Offering Plan for a list of units).

The Condominium is subject to and complies with the New York Condominium Act (New York Real Property Law Article 9B) and any rules and regulations promulgated thereunder. The purpose of this Plan is to set forth all of the material terms of this offering.

The Plan is presented in two parts (in one volume), which together constitute the entire Plan delivered to prospective purchasers. The Plan, including all schedules and the Exhibits, constitutes the entire offering of the Sponsor. The purpose of the Plan is to set forth all of the material terms of the offering. The Plan may be amended from time to time by an amendment filed with and accepted by the New York State Department of Law. If certain material amendments are made to the Plan in the future, prospective purchasers may have the right to rescind their Purchase Agreements. Amendments to the Plan will be served on all offerees defined by 13 NYCRR § 20.1(d) as (i) commercial or professional tenants, if any, (ii) purchasers who have executed and delivered purchase agreements to the Sponsor or Selling Agent and whose Purchase Agreements are in effect, (iii) Unit Owners, and (iv) any other person entitled to service pursuant to local

law or regulation, by personal delivery or mailing by regular mail or certified mail with or without return receipt requested, and addressed to the offeree at the last known address of such offeree, or if such offeree has provided written information of an alternative address for notices, addressed to the offeree at the alternative address. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create a Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the property. All of these documents are important and should be carefully read by prospective purchasers. Copies of the entire Plan and all exhibits thereto will be available for inspection by prospective purchasers without charge at the office of the "Selling Agent" or the Department of Law at a reasonable copying charge.

The plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Department of Law in connection with the filing of the plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the office of the Selling Agent or the Sponsor.

The Board of Managers is generally responsible for the supervision, operation and maintenance of the Common Elements in the building. Utility usage (electricity and gas) is separately metered. The bills therefore are thus paid directly by the Unit Owner to the utility company or entity providing the service and have no connection to the Board of Managers and accordingly are not displayed as either an expense or income item in the budget shown herein. In addition, repair, utility or service contracts affecting the Common Elements are managed and controlled by the Board of Managers. (See the Section entitled "Rights and Obligations of the Board of Managers and Unit Owners" in Part I of the Plan).

The estimate of the Common Charges to be collected during the first year of Condominium operation are based upon the assumption that the first year will be from June 1, 2020 through May 31, 2021. The actual first year of operation may be earlier or later. If such date is delayed twelve (12) months or more, Purchasers will be offered a rescission. While the First Closing is projected to occur **on or around June 1, 2020, which is no sooner than six (6) months after the submission date of the Plan** , neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit.

In the event the projected commencement date of the first year of Condominium operation differs by six (6) months or more from the anticipated date of the first closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If Common Charges in the revised budget projections exceed the earlier projections by twenty-five (25%) percent or more, the amendment will provide all

purchasers with the right to rescind their Purchase Agreements and have their deposits, plus interest, if any, refunded to them.

PURSUANT TO THE GENERAL BUSINESS LAW NO TENANT WILL BE EVICTED AS A RESULT OF ANY PURCHASE DECISION CONCERNING THIS OFFERING.

The Sponsor is reserving the unconditional right to rent rather than sell units as they become vacant. Sponsor may rent units rather than sell as they become vacant.

If Sponsor makes a bulk sale of all or some of its units, the transferee Sponsor is bound by Sponsor's representations regarding its commitment to sell units, if any.

The premises are not encumbered by a mortgage. However, nonetheless, prior to declaring the Plan effective, the Sponsor will obtain the consent of any existing Mortgagee allowing for the conversion of the premises to a condominium ownership and the release of units as sold or the replacement of any existing mortgage.

There will be a transitional phase in the conversion process to condominium from the previous occupancy as a four-story, single room occupancy ("SRO") to a six-story condominium. Because the plan can be declared effective based on sales of fifteen (15%) percent of the Units to bona fide purchasers which may or may not be for their own occupancy, Purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time and the owner-occupants may not control the Board of Managers or operation of the Property during such transition or thereafter. There are other aspects of living in a mixed rental/owner-occupied building, including different interests of owners and renters including the Sponsor's continuing role in the building.

The purchase price of each unit has been set by the Sponsor. Such purchase prices have been established without arm's length negotiations and are not subject to approval by the Department of Law or any other governmental agency. The prices for Units offered herein have been set by Sponsor alone. They are not subject to review or approval by the New York State Department of Law or any other governmental agency. Each purchaser must obtain his, her, or their own mortgage financing subject to certain limitations more particularly set forth in the By-Laws. No representation is made as to the availability or terms of any such financing. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement (a copy of which is included in Part II of the Plan) executed by both the Purchaser and the Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's deposit. (See Paragraphs 4 and 16 of the Purchase Agreement for more details). Sponsor has the right to reject any prospective purchaser without cause or explanation, provided that such rejection is not based on sex, race, creed, color, national origin, ancestry, sexual orientation, age, or other grounds proscribed by law. The submission to Sponsor by a prospective purchaser of a Purchase Agreement does not mean that Sponsor has approved the prospective purchaser for

purchase of the applicable unit. Sponsor shall not be obligated to sell a Unit to any prospective purchaser until a duplicate Purchase Agreement, signed by Sponsor, is returned to the prospective purchaser.

The Purchase Agreement contains a prohibition against advertising. For so long as Sponsor owns an Unsold Unit, Purchaser is prohibited under the terms and conditions of this Agreement for a period of twelve (12) months from the First Closing (including without limitation the time period between the date of this Agreement and the Closing of Title, to the extent applicable) from taking any of the following actions without the Sponsor's written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be a default by Purchaser, entitling the Sponsor to the default remedies set forth in this Agreement. The provisions of this section shall survive Closing of Title. This provision is only applicable during the twelve (12) month period following the First Closing and shall not apply to any Purchasers who close title to a Unit after the twelve (12) month period following the First Closing has elapsed. The prohibition against advertising in the Purchase Agreement is a **special risk** of this offering plan.

Condominium ownership in the State of New York is governed by the Condominium Act, and a Condominium is created in the State of New York by filing an Offering Plan with the Department of Law, which includes a detailed description of the property, a form of Purchase Agreement, a Declaration, By-Laws, Floor Plans and other instruments and documents required by the Condominium Act, by the New York General Business Law and by the Rules and Regulations issued pursuant thereto. From and after the date of recording of the Declaration, a Sponsor is the owner of all the units until they are sold and conveyed to a purchaser thereof. Part II of this Plan contains a statement regarding the building, the Purchase Agreement, the Declaration, and the By-Laws. Each Unit Owner is obligated to comply with the Declaration, By-Laws, Rules and Regulations, House Rules, and any other requirements of the Board of Managers.

This plan may be amended from time to time by filing an amendment with the New York State Department of Law and serving such amendment on all offerees as defined by 13 NYCRR § 20.1(d). Any such amendment will be served upon (i) commercial or professional tenants, if any; (ii) purchasers who have executed and delivered Purchase Agreements to the Sponsor or Selling Agent and whose Purchase Agreements are in effect; (iii) unit owners; and (iv) any other person entitled to service pursuant to local law or regulation (collectively "offerees"), in the following manner:

(1) personal delivery; or

(2) mailing by regular mail or registered mail or certified mail with or without return receipt requested, addressed to the offeree at the last known residence of such offeree, or if the offeree has provided written information of an alternate address for notices, addressed to the offeree 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 offeree, the mailing shall be addressed to such last business or employment address.

The date of presentation of the Offering Plan is the date by which service has been completed on all offerees of the plan, which has been accepted for filing by the Department of Law. Service shall be made in the manner set forth in paragraph "(1)" and "(2)" above. Service shall be deemed complete upon completion of personal delivery on all offerees or on the fifth (5th) day after the date of mailing to all offerees not personally served.

The ownership of a Condominium Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns title to his, her, or their unit and is generally entitled to its exclusive possession. Each Unit Owner may mortgage his, her, or their unit or not, as he or she or they sees fit, and in such amount as he, she, or they chooses, subject only to certain provisions more particularly set forth herein. Provided a purchaser's credit, income and reputation are acceptable to a lender, the purchaser may obtain a first mortgage from a bank, trust company, insurance company, savings and loan association, pension fund or other institutional lender; however, no representation is made as to the terms, conditions or availability of such financing. Each Condominium Unit is separate and not subject to mortgages which encumber other units.

A Unit Owner may sell or lease his, her, or their unit to anyone without restriction or limitation, subject to a right of first refusal by the Board of Managers. (See the "Rights and Obligations of the Board of Managers and Unit Owners" Section in Part I of the Plan). However, the Sponsor and Owners of Unsold Units will not be subject to said right of first refusal. A Unit Owner will be solely responsible for the maintenance and repair of his, her, or their Unit after closing, and he, she, or they may decorate it as he, she, or they desires. Each Unit Owner will pay for electricity allocated to his, her, or their unit, which will be separately metered and billed. Units are individually metered for gas, which each Unit Owner will have to pay as well. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes, which will be separately assessed against his, her, or their Unit and interest and amortization payments on the mortgage, if any, encumbering his, her, or their Unit. A Condominium Unit will be taxed as a separate tax lot for real estate tax purposes, just as a private home. The Board of Managers will obtain fire and liability insurance as set forth in Schedule B. Individual unit owners should obtain insurance for their contents and improvements and for personal liability protection.

In addition to his, her or their Unit, a Unit Owner also owns, in common with the owners of all other Units in the Condominium, an undivided interest in certain parts of the property other than the Units, such as the building's structural frame and roof, and similar elements of the building which may benefit or be used by all Unit Owners to the exclusion of none of them (hereinafter collectively referred to as the "Common Elements". (See Article 8 of the "Declaration" in Part II of the Plan for details). In addition, a Unit Owner may be entitled to the exclusive use of the limited common element(s), a limited common element being that part of the common elements which are to be exclusively used by a particular Unit Owner. The uses of limited common elements are described in the Footnotes to Schedule A.

A Unit Owner will have the right, subject to certain limitations, to use the Common Element and to vote annually for the election of the members of the Board of Managers. The Board of Managers will supervise the property and manage the general affairs of the Condominium. (See the sections of the Plan entitled "Declaration" and "By-Laws" included hereto in Part II of the Plan).

The Board of Managers will assess against the respective Unit Owners in proportion to their relative percentage interest in the Common Elements (unless otherwise provided in Schedule B in Part I of the Plan), charges for the maintenance of the Common Elements and for certain operating costs of the property. In addition, Unit Owners will be responsible for the repair and maintenance of the interior of their Units as well as maintaining insurance (property and liability) covering the Unit. In accordance with the New York Condominium Act, Sections 339(i) and (m), the Common Charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the property but may include a reserve for contingencies, replacements, and/or repairs. IT IS ASSUMED THAT COMMON CHARGES WILL INCREASE AS CASH REQUIREMENTS OF THE CONDOMINIUM RISE DUE TO INFLATION AND OTHER FACTORS. Furthermore, the Board of Managers may impose special assessments in order to meet emergencies, contingencies, or other unforeseen events, which will become the financial obligation of each purchaser of a Condominium Unit. These assessments will be levied on a pro rata basis. Each Unit Owner will be obligated to comply with the Condominium Declaration, By-Laws and Rules and Regulations and any other requirements of the Board of Managers. The Board of Managers does not have the right to approve or disapprove a purchaser. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy. There may always be a substantial percentage of owners who are non-residents.

The estimated Common Charges for the first year of condominium operation and the estimated real estate tax charges are set forth in "Schedule A – Offering Prices & Related

Information". The projected budget for the first year of Condominium operation are set forth in "Schedule B – Projected Budget for First Year of Condominium Operation".

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of real estate taxes, which will be separately assessed against his, her, or their Unit and the interest and amortization payments on the mortgage, if any, encumbering his, her, or their Unit. Each Unit Owner will also be responsible for the maintenance and repair of said Unit.

If at the time of conveyance of title to any Units, the City of New York has not yet designated and separately assessed each Unit, purchasing Unit Owners will be required to pay their relative percentage of the total tax on the building as if the same were a common charges until such separate assessments have been accomplished. Such payments will be required to be made to the Board of Managers at least thirty (30) days prior to the time such taxes are due. The obligation of Unit Owners to pay taxes whether or not the City of New York has designated and separately assessed each Unit is a **special risk** of this Plan.

The Condominium Units will be newly rehabilitated in accordance with all applicable laws. Five (5) units are being offered in this offering plan. One unit is a retail or commercial unit and the remaining four (4) units are residential units. (See Schedule A in Part I of the Plan for prices). The offering does not contain any parking or recreational facilities. The offering includes five (5) storage rooms. The Sponsor intends to reserve any excess developmental or air rights for the Sponsor. (See the Special Risks section in Part I of the Plan and see also the section of the Plan entitled "Reservation of Air and Developmental Rights in Part I of the Plan).

The Sponsor will obtain a Permanent Certificate of Occupancy for the Building and intends to close title to the units with a Temporary Certificate of Occupancy. The Sponsor will obtain a temporary Certificate of Occupancy for the Building or Unit prior to closing of title to such Unit. In the event that a permanent Certificate of Occupancy has not been obtained by such closing, Sponsor is subsequently obligated to obtain the same. *See* Part I of the Plan in the Section entitled "Rights and Obligations of Sponsor".

Under the Condominium Act, a Condominium Unit may be owned by an individual, a corporation, a partnership, an association or a trust. However, the Units offered pursuant to this plan if to an individual, are offered only to persons eighteen (18) years of age or over.

THIS OFFERING PLAN CONSTITUTES THE SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. THE GENERAL BUSINESS LAW OF NEW YORK REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL MATTERS CONCERNING THE CONDOMINIUM UNITS IN THIS PLAN AND TO FILE THIS PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY OF THE CONDOMINIUM UNITS. FILING DOES NOT MEAN THAT THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY REVIEWED OR APPROVED THIS OFFERING.

EACH UNIT SHOULD BE INSPECTED PRIOR TO PURCHASE TO DETERMINE THE EXACT LAYOUT AND PHYSICAL CONDITION.

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

ADJUSTMENT DATE: The date upon which adjustments between the Sponsor and the Purchaser are calculated.

ACCEPTED FOR FILING: The date upon which the Department of Law accepts the offering plan and issues its letter.

ANCILLARY AMENITY: Any area designated as a Storage Room in the Plan. All such Ancillary Amenities are collectively referred to as "Ancillary Amenities".

ANCILLARY AMENITY LICENSE: The Agreement pursuant to which an Ancillary Amenity is licensed to a Residential Unit Owner.

ANCILLARY AMENITY LICENSEE: Any Residential Unit Owner who licenses an Ancillary Amenity at the time in question. All such Residential Unit Owners are collectively referred to as "Ancillary Amenity Licensees".

APPURTENANT INTEREST: With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

BOARD OF MANAGERS: The Board of Managers of the Condominium, which will conduct Condominium affairs and supervise the operation of the Property.

BUILDING*:* The building, including any below grade sections and cellars, constructed on the land in which the Units of the Condominium are located.

BY-LAWS: The By-Laws governing the operation of the Condominium, a copy of which is set forth in Part II of the Plan.

CLOSING DATE: Refers to the date on which closing of a unit occurs.

COMMERCIAL UNIT: Any Unit designated as a Retail Unit in the Plan.

COMMON CHARGES: Assessments payable by the Board for the purposes of meeting common charges, which amounts to each unit's pro rata share of the Common Expenses in accordance with the Common Interest of the Unit.

COMMON ELEMENTS: The land and all parts of the building (other than Units), including without limitation, the foundations, roofs and supports of the building, lobbies, hallways and all areas or facilities for the common use of the Units and Unit Owners.

COMMON EXPENSE: Expenses of operation of the Property, and all sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or By-Laws.

COMMON INTEREST: The proportionate undivided interest, in fee simple absolute, expressed as a numerical percentage, in the Common Elements, allocated to each Unit, in accordance with the Declaration and the Condominium Act. The total aggregate of all Common Interest percentages allocated to all Units equals 100%. The Common Interest is the basis of determining, among other things, a Unit Owners: (a) Liability for a share of the Common Expenses, (b) voting power, and (c) share of any distribution to Unit Owners upon termination of the Condominium.

CONDOMINIUM ACT: The New York State Condominium Act as amended from time to time as presently found in the New York Real Property Law, Article 9-B.

CONDOMINIUM. The Units and Common Elements constituting the Condominium to be located at 497 3rd Street, Brooklyn, New York 11215 and to be known as The Homage on 3rd Street Condominium. The word Property shall be used interchangeably and shall have the same meaning as the term Condominium as defined above.

CONDOMINIUM BOARD: Shall mean the Board of Managers.

DECLARATION: The instrument creating the Condominium set forth in Part II of the Plan.

DEPARTMENT OF LAW: Shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

EFFECTIVE DATE: Refers to the date the Plan is declared effective. (See "Effective Date" section of this Plan).

DEVELOPMENT RIGHTS OWNER: Shall mean the Sponsor or any Person which acquires all or any portion of the Excess Air and Developmental Rights or Excess Development Rights from Sponsor, if any.

EXCESS AIR AND DEVELOPMENTAL RIGHTS: Certain rights as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that all 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) contiguous 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 thereon 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 or transferred to other zoning lots as permitted by the Zoning Resolution.

EXCESS DEVELOPMENT RIGHTS: Shall mean "Excess Air and Developmental Rights".

FIRST CLOSING: The date fee title to a Condominium Unit is first conveyed to a purchaser pursuant to the Plan.

FORCE MAJEURE: Unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargoes, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. However for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

LAND: Refers to the property, excluding the building.

LIMITED COMMON ELEMENTS: A common element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of Limited Common Elements are set forth in the Declaration and By-Laws in Part II of this Plan.

MANAGING AGENT: Shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

OFFERING PLAN: A statement prepared on behalf of the Offeror (Sponsor), as defined below, designed to disclose all material facts concerning the proposed Condominium, in order to aid prospective purchasers in making informed decisions regarding their purchases.

PERMANENT CERTIFICATE OF OCCUPANCY: Any permanent certificate of occupancy issued by the Department of Buildings for the Building.

PERMITTED ENCUMBRANCES: Encumbrances to the title of a Unit which a purchaser agrees to take title subject to, as more particularly itemized on Schedule A annexed to the form of Purchase Agreement contained in Part II of the Plan.

PERMITTED MORTGAGE: A first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

PERMITTED MORTGAGEE: Any hold or guarantor of a Permitted Mortgage at the time in question.

PLAN: The offering plan, as amended, to convert the premises to condominium ownership.

PREMIUM PAYMENT: Refers to all downpayments, deposits, advances, and payments made by Purchasers prior to the Closing of a Unit.

PROPERTY: Refers to the Land and Building situated at 497 3rd Street, Brooklyn, New York 11215 that Sponsor plans to convert to condominium ownership pursuant to the provisions of this Plan.

PURCHASER: Refers to a party(s) named as purchaser(s) in a Purchase Agreement, which has been duly executed by such party and accepted by Sponsor.

PURCHASE AGREEMENT: Refers to that contract of purchase and sale for a unit as set forth in Schedule B in Part II of the Plan.

RESIDENTIAL UNIT: Any Unit designated as a residential unit in the Declaration.

RESIDENTIAL UNIT OWNER: The person or persons owning a Residential Unit in fee simple absolute.

RETAIL UNIT: Any Unit designated as a retail unit in the Declaration.

RETAIL UNIT OWNER: The person or persons owning a Retail Unit in fee simple absolute.

RULES AND REGULATIONS: The rules and regulations made in accordance with the By-Laws attached thereto as Schedule A and also the Supplemental Addendum entitled "House Rules".

SALES OFFICE: The sales office of the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

SELLING AGENT: A person, persons, or other entities designated from time to time by the Sponsor to be its agent in the sale of the units.

SPECIAL ASSESSMENT: The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

SPONSOR: The Sponsor of this Offering Plan is THE HOMAGE ON 3RD, LLC.

SPONSOR'S DESIGNEE OR DECLARANT'S DESIGNEE: A person or entity designated by the Sponsor (or the Declarant) as such with respect to any unit. Such persons or entity shall have the same rights with respect to such Unit under the offering plan as the Sponsor (or the Declarant).

STORAGE ROOM: Any storage area included in the structural framework and materials out of which the Storage Rooms are constructed. Each Storage Room is a

Residential Common Element. Any reference in the Plan to "owning a Storage Room" or "owning a Storage Unit" means that the Residential Unit Owner has entered into an Ancillary Amenity License for the Storage Room.

TEMPORARY CERTIFICATE OF OCCUPANCY: Any temporary certificate of occupancy issued by the Department of Buildings for the Building

UNIT*:* Any space in the Building designated as a Residential Unit or as a Retail Unit or Commercial Unit in the Declaration, consisting of either a specific Residential Unit or Retail Unit in the building, together with the appropriate appurtenant undivided interest in the Common Elements, as established in the Plan, the Condominium Act and/or otherwise in accordance with the law. All such units are collectively referred to as the "Units".

UNIT OWNER: The person or persons owning a Unit in fee simple absolute.

UNSOLD ANCILLARY AMENITY: An Ancillary Amenity owned or retained, by way of lease or any other arrangement, by which management and/or financial responsibility is retained by the Sponsor or its designee. All Unsold Ancillary Amenities are collectively referred to as the "Unsold Ancillary Amenities".

UNSOLD UNIT: Refers to a Unit owned or retained by the Sponsor or its designee, or a unit for which a prospective purchaser is in default under the terms of his, her, or their Purchase Agreement past any applicable period to cure, or a unit the Sponsor has not sold, or a unit that is acquired, individually or collectively, by one or more members of a group that consists of Sponsor or a partner of Sponsor. All such Unsold Units are referred to collectively as "Unsold Units".

UNSOLD UNIT OWNER: Shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

ZONING RESOLUTION: The Zoning Resolution of the City of New York, as amended from time to time, or replacement rule, regulation or resolution pertaining to development of a zoning lot.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of Property and Building Condition" section contained in Part II of the Plan.

Location

The Property is located at 497 3rd Street in the County of Kings in the Borough of Brooklyn and the City and State of New York in the zip code 11215.

Improvements – General Description of Units

The Condominium will consist of four (4) Residential Units, the Retail Unit, and five (5) Storage Rooms located within a structure comprising six (6) stories with cellar and bulkhead. The Property and Building, including the individual units, will be substantially improved with new construction having undergone a substantial rehabilitation and gut renovation in accordance with all applicable zoning and building laws, including the Zoning Resolution, the New York City Building Codes, the New York City Construction Codes, the Codes of New York State, and the Local Laws 58 and 26.

Purchasers should refer to the Description of the Property and Building Condition and the Floor Plans contained in Part II of the Plan for more details.

Residential Units

The Condominium will consist of four (4) Residential Units located on floors 2nd through 6th of the Building with the square footages set forth in the Schedule A section of Part I of the Plan.

Purchasers are urged to consult the Floor Plan and Description of the Property and Building Condition contained in Part II of the Plan for more details regarding Residential Units.

Retail Unit

There will be one (1) Retail Unit located on portions of the 1st floor of the Building with the square footages set forth in the Schedule A section of Part I of the Plan. The Retail Unit is being offered for sale at this time.

Purchasers should refer to the section of the Plan entitled "Retail Unit" for a detailed description of the Retail Unit and Purchasers are urged to consult the Floor Plans

and the Description of the Property and Building Condition contained in Part II of the Plan for more details regarding the Retail Unit.

Storage Rooms

The Storage Rooms will be located in the Cellar of the Building, as set forth in the Floor Plans included in Part II of the Plan. The approximate square footage of the Storage Rooms is set forth in Schedule A-2 in Part I of the Plan.

A Storage Room 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, however, shall have the right to use any unassigned Storage Room for any purpose permitted by Law or to change the permitted use of any unassigned Storage Room, subject to the provisions of the By-Laws. The Sponsor shall be responsible for (i) all costs and expenses associate with the operation of any unlicensed Storage Rooms, and (ii) the payment of any license fee and/or special assessments imposed by the Condominium Board of Managers related to unlicensed Storage Rooms. The Sponsor shall not be responsible for any such costs and expenses for unlicensed Storage Rooms when the Sponsor ceases to own any Unsold Units in the Condominium.

Ancillary Amenities, Generally

Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Ancillary Amenity for any purpose permitted by Law or to change the permitted use of an Unsold Ancillary Amenity, subject or the provisions of the By-Laws. Except for Sponsor and the Condominium Board of Managers, an Ancillary Amenity may not be licensed independently of a Residential Unit.

Although the Ancillary Amenity Areas are Residential Common Elements, the Condominium Board of Managers has granted the Sponsor the exclusive right, without charge, to sell the Ancillary Amenities located therein. The Condominium will not be entitled to any of the proceeds from the sale of Ancillary Amenity Licenses.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale or license of an Ancillary Amenity, the Sponsor reserves the right to withdraw the offering of any particular Ancillary Amenity and/or to reduce the number of Ancillary Amenities offered. After such time as Sponsor has entered into a Purchase Agreement or Ancillary License Agreement with respect to the sale or license of any Ancillary Amenity, Sponsor may withdraw or reduce the offering of any Ancillary Amenity, but only to the extent that such withdrawal does not affect any Ancillary Amenity subject to an existing Purchase Agreement or Ancillary License Agreement. If, subject to the foregoing limitations, the Sponsor elects to withdraw or reduce the offering of Ancillary Amenities, then the Sponsor shall disclose

such withdrawal or reduction in an amendment to the Plan, and Sponsor shall have the right to utilize such Ancillary Amenity Areas for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to such Purchasers (i) who have not entered into Purchase Agreements or Ancillary Amenity License Agreements and (ii) who have entered into Purchase Agreements and/or Ancillary License Agreements for Ancillary Amenities unaffected by the withdrawal or reduction, such Purchasers shall not be relived of any of their obligations under their respective Purchase Agreements and/or Ancillary License Agreements as a result of such withdrawal or reduction, including without limitation the obligation to purchase the Residential Unit.

The Ancillary Amenities and the Ancillary Amenity Areas will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Ancillary Amenity Licensee. The Board of Managers, its agents and employees, and Sponsor shall not be liable for any damage caused by power outages, temperature fluctuations or other causes in the Ancillary Amenity Areas.

Purchasers should not purchase a Unit in reliance on the use or availability of any Ancillary Amenity and Sponsor does not make any representation of the availability of any particular Ancillary Amenity.

Construction Data for Units and Common Elements

The renovation and construction of the Building will be completed in accordance with the Plans and Specifications and the applicable Law. (See the section of the plan entitled "Identity of Parties" in Part I of the Plan for further detail). The Sponsor is obligated to build and complete the condominium in accordance with the building plans and specifications identified in the Plan, but may substitute equipment or materials and make modifications of layout or design, provided, however that Sponsor may not: (i) substitute equipment or materials of lesser quality or design; or (ii) change the size, location of buildings or units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect, unless all affected unit owners and contract vendees consent in writing to such change.

Subject to the restrictions described in the paragraph above, the Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications of the architect of record (including without limitation the, changing materials, appliances, equipment, fixtures, and other construction details) and substitute in place of any materials, appliances, equipment, fixtures set forth in the "Description of Property and Building Condition", items of substantially equal or better quality, provided, however that: (i) no change in 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 an 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, (iii) unless all Purchasers consent, no material change will be made in size and no material adverse change will be made in the quality of common elements, (iv) any necessary approval of any governmental authority having jurisdiction is first obtained; (iv) no such amendments, modifications, or substitutions may be made if the same would materially and adversely affect any binding Purchase Agreement, unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to Purchaser(s), offer the affected Purchaser(s) the right, for fifteen (15) days, to rescind their Purchase Agreement(s) and receive a refund of their Premium Payments, together with all interest earned thereon.

Based upon the current and existing construction and renovation schedule, the Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about June 1, 2020. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier than the projected date or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. While the First Closing is projected to occur **on or around June 1, 2020, which is no sooner than six (6) months after the submission date of the Plan**, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. Sponsor has the right to change the Projected Budget for the First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within twelve (12) months after the date set forth in Schedule B for the First Your of Condominium Operation in effect on the date a Purchaser and Sponsor enter into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for fifteen (15) days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. In the event that the actual or amended commencement date of Condominium Operation occurs later than twelve (12) months from June 1, 2020, purchasers shall be entitled to rescission. Any Purchasers electing rescission will have their payments returned together with any interest earned thereon. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by six (6) months or more, Sponsor will amend the plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by twenty-five (25%) percent or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right to rescind their Purchase Agreements and receive a refund of their payments, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Services and Facilities

The Services and Facilities described below will be provided to Residential Unit Owners and are included in the Common Charges, unless specified below.

a. Residential Lobby

There will be a residential lobby located on the 1st floor of the Building for the use and enjoyment of the Residential Unit Owners.

b. Residential Elevator Service

The Building will be serviced by an American with Disabilities Act compliant elevator in service twenty-four (24) hours a day and seven (7) days a week to provide elevator access directly to each Residential Unit, as reflected in the Floor Plans set forth in Part II of the Plan. To access their Residential Unit, each Residential Unit Owner will be provided with a key for use in the elevator and to lock the elevator at their designated floor(s).

Purchasers should refer to the Description of the Property and Building Condition set forth in Part II of the Plan for details concerning the elevator. Sponsor reserves the right to restrict access to any full floor Residential Unit, solely to the individual owner/occupant of such Unit, by way of elevator lock off, or other means permissible by Law.

c. Smoke and Carbon Monoxide

A combination smoke/carbon monoxide detector will be provided in each Residential Unit in compliance with the Law. Additionally the Building will have a sprinkler system in compliance with the Law.

d. Telecommunications

Telephone, cable television, and Internet services are available to the Building and will be provided to the Building by numerous suppliers in the Borough of Brooklyn. Residential Unit Owners may subscribe for telephone, television, and Internet services. Each Residential Unit Owner will be required to pay the service provider any charges and fees for activating the wiring in their Unit and for installing the appropriate outlets in the same. The charges for activating and maintaining any telecommunications services are the responsibility of the respective Residential Unit Owner.

e. Communication Facilities and Intercom System

The Building will have an exterior intercom and camera system, with a 24-hour virtual doorman service available for resident deliveries, guests, and lost key fob.

f. Mail

All incoming mail will be delivered to the Building, and will, as determined by the Condominium Board of Managers be placed by the United States Postal Service in mailboxes located in the Lobby past the elevator entry.

g. Laundry Facilities

Each Residential Unit will contain stackable washer/dryers. There will not be a common laundry facility in the Building.

General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e. a Residential Unit Owner or permitted tenant) and such individual's guests, provided that such Residential Unit Owner or permitted tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board of Managers, including, without limitation, the right to impose usage fees and restrictions on hours of access, use, and/or service as applicable. Any such adjustments, restrictions and/or imposition of fees must be made in accordance with the applicable law and disclosed in an amendment to the Plan. The Board of Managers right to make the adjustments described in this paragraph and/or impose usage fees and restrictions is a **special risk** of this Plan.

Purchasers are advised that some of the services and facilities described in the Plan may not be available until approximately twelve (12) months after the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevator(s), will be restricted during the period that Sponsor is performing work in the Building. Furthermore, until certain occupancy levels in the Condominium are achieved, the hours and duties of the building staff and/or management may be reduced. Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after the Purchaser's Closing. The Condominium Board of Managers shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year's Budget to adjust the Common Charges for the period in which such services and/or facilities are not available.

Additionally, as more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan, it is anticipated that all work shall be completed by May 15, 2020. However for a significant period of time following the First Closing through, and including beyond Closing of Title to any Residential Unit, work may be undertaken and performed by or on behalf of the Sponsor to complete construction of the Building, including without limitation, the Residential Units, the Retail Unit, the amenities and facilities, Ancillary Amenities, the decoration and/or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise

disruptive condition in the Building. Nevertheless any ongoing work after the First Closing shall not render uninhabitable any unit for which title has closed. The Condominium Board of Managers may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of the Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists, or construction elevators shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed or removed.

LOCATION AND AREA INFORMATION

Location

The Property is situated on the north side of 3rd Street between 6th Avenue and 7th Avenue in the Borough of Brooklyn in the neighborhood commonly known as Park Slope. (See "Architect's Report" entitled "Description of the Property and Building Condition" in Part II of the Plan for further details).

Surrounding Area

The immediate area is comprised of residential buildings, condominium apartments and commercial enterprises as well as shopping and recreational facilities.

Transportation

The local subway stations are located within several blocks of the Property; the nearest express subway station is located at Flatbush Avenue. Riders may take or connect with trains serving the entire subway system. The Building is nearby the 2, 3, B, F, G, R, and Q train lines.

Bus service is available within one or two blocks for service on the avenues for the B63, B67, and B69 bus lines.

Schools and Religious Facilities

The Property is located in New York City School District #15. Elementary School P.S. 321 is located at 180 7th Avenue. William Alexander Middle School is located at 350 5th Avenue. John Jay Educational Campus, which houses the Secondary School for Journalism, the Secondary School for Law, the Park Slope Collegiate, and the Millennium Brooklyn High School, is located at 237 7th Avenue.

Several houses of worship for most denominations are located in the vicinity of the Condominium.

Medical Facilities

New York–Presbyterian Brooklyn Methodist Hospital is located within close proximity to the Building at 343 7th Avenue.

Post Office and Public Libraries

A branch of the U.S. Postal Service is located at 198 7th Avenue and the nearest branch of the New York Public Library is located at 431 6th Avenue. The Main Branch of the Brooklyn Public Library also conveniently located at 10 Grand Army Plaza is also nearby.

Shopping

A variety of shopping facilities are located in the area, including supermarkets, delicatessens, food specialty shops, and many others.

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

The above services are provided by the City of New York and all charges are incorporated in Real Property Taxes, Water Charges and Sewer Rents. The local police precinct is the 78th Precinct located at 65 6th Avenue, Brooklyn, New York 11217. The local fire station is Squad 1 located at 788 Union Street, Brooklyn, New York 11215.

Zoning

The Property is located in an R-6A – C1-4 Zoning District (Zoning Map No. 16D). Permitted use is as multifamily residential and also commercial use.

Adjoining Property

The buildings adjoining the property are not owned by the Sponsor. These premises currently comprise a private residential building and a mixed-use building.

Adjacent Areas

The sponsor and/or its principals do not own, in whole or part, or have an option or right to acquire any adjacent areas, which are not fully developed. However under the terms of the Plan the Sponsor does retain the Excess Air and Developmental Rights and Air Rights of the Land, if any. (See the Special Risks section of this Plan).

General

The Sponsor does not make any representations as to the continued existence of any of the named establishments, services, or transportation lines. Additionally, no representation is made that future construction in the neighborhood surrounding the Condominium will not result in the obstruction of any views from windows, roofs or terraces.

OFFERING PRICES AND RELATED INFORMATION:
SCHEDULE A

The Homage on 3rd Street Condominium

497 3rd Street, Brooklyn, NY 11215

Schedule A: Purchase Prices and Related Information for the Projected First Year of Condominium Operations (6/1/2020 - 5/31/2021)

		Limited Common Elements															
Unit	Number of Bedrooms (BR) / Bathrooms (BA)	Balcony Square Footage (2) *	Terrace Square Footage (2) *	Roof Level Square Footage (2) *	Cellar Level Square Footage (2) *	Rear Yard Square Footage (2) **	Total Limited Common Elements Square Footage (2)	Unit Square Footage (2)	Offering Price (3)	General Common Interest (4)	Residential Common Interest (4) (b)	Estimated Monthly Common Charges (5)	Estimated Monthly Real Estate Taxes (6) ***	Estimated Annual Real Estate Taxes (6) ***	Estimated Total Monthly Charges 1st Year (7) ***	Estimated Total Annual Charges 1st Year (7) ***	Comon Elements to which Unit has immediate access to
2	2 BR / 2 BA /	-	-	70	-	-	70	1,142	$1,825,000	18.4816%	20.0822%	$993	$923	$11,075	$1,916	$22,993	Stairs, Elevator
3	2 BR / 2 BA /	46	-	66	-	-	112	1,142	$1,875,000	19.1161%	20.7316%	$1,025	$953	$11,433	$1,978	$23,736	Stairs, Elevator
4	2 BR / 2 BA /	46	-	55	-	-	101	1,142	$1,925,000	19.5711%	21.6816%	$1,072	$996	$11,957	$2,069	$24,824	Stairs, Elevator
PH	3 BR / 3 BA /	46	367	66	-	-	479	1,890	$3,250,000	33.8673%	37.5046%	$1,855	$1,724	$20,684	$3,578	$42,940	Stairs, Elevator
TOTAL RESIDENTIAL		**138**	**367**	**257**	**-**	**-**	**762**	**5,316**	**$8,875,000**	**91.0361%**	**100.0000%**	**$4,945**	**$4,596**	**$55,150**	**$9,541**	**$114,493**	
Retail Unit		-		-	623	656	1,279	384	$1,125,000	8.9639%	-	$248	$350	$4,200	$598	$7,176	Stairs, Lobby, Cellar Hallway
TOTAL COMMERCIAL				**-**	**623**	**656**	**1,279**	**384**	**$1,125,000**	**8.9639%**	**0.0000%**	**$248**	**$350**	**$4,200**	**$598**	$7,176	
Residential Storage Units *					188		**188**										
TOTALS		**138**	**367**	**257**	**811**	**656**	**2,229**	**5,700**	**$10,000,000**	**100.0000%**	**100.0000%**	**$5,193**	**$4,946**	**$59,350**	**$10,139**	**$121,669**	

*** Units 2,3,4,PH have access to cellar areas and storage rooms. Retail Unit has access to cellar areas and has storage room appurtenant to the unit.**

*** Units 2,3,4 and PH all have a portion of roof terrace area appurtenant to the units and unit PH has a front and rear terrace on the 6th floor. Units 3,4 and PH have a balcony adjacent to master bedroom.**

*** The cellar space has less light and air than ordinary living space and it is more susceptible to dampness.**

*** The cellar spaces and storage room (or any limited common elements) may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building.**

*** Balcony, Terrace, Roof Level Spaces, Rear Yard and Storage Units, are considered Limited Common Elements, as further described in the Offering Plan.**

**** The rear yard limited common element appurtenant to Retail Unit is not for occupancy and to do so may result in a building code violations being issued for the building.**

***** The projected real estate taxes for the first year of operation contained on Schedule A are based on an assessment of the building after construction is complete.**

Purchasers should be aware that real estate taxes may increase materially when the building is reassessed after construction is complete.

SCHEDULE A-2

The Homage on 3rd Street Condominium		
497 3rd Street, Brooklyn, NY 11215		
Schedule A2: Purchase Prices for Storage Rooms and Related Information for the Projected First Year of Condominium Operations (6/1/2020 - 5/31/2021)		
Storage Unit*	**Storage Room Square Footage**	**Purchase Price**
Storage 1	38	$25,000
Storage 2	32	$25,000
Storage 3	32	$25,000
Storage 4	50	$30,000
Storage 5	36	$30,000
TOTAL	**188**	**$135,000**
*** These storage spaces may not be legally used as a bedroom or living room**		
and to do so may result in a building code violation being issued for the building.		
*** The cellar space has less light and air than ordinary living space and it is more**		
susceptible to dampness.		

FOOTNOTES TO SCHEDULE A

1. Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York ("REBNY"). Each Residential Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

2. The square footage of the Units listed in Schedule A or in the Declaration are approximate and may be due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium units. The actual area comprising the Units is significantly less than the area listed in Schedule A and as a result the useable area pertaining to each Unit is significantly less than the area listed in Schedule A. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, (i) columns, mechanical pipes, shafts, shaft ways, chases, chase ways and conduits in all Residential Units, where provided are not deducted from the measurement of each Residential Unit; and (ii) elevator shafts, exit corridors and stairwells on full floor unit floors are not deducted from the measurement of each Residential Unit. Each Residential Unit consists of the area measured vertically from the top of the finished floor to the underside of the finished ceiling. Each terrace/loggia/balcony includes the parapet. The Retail Unit is measured horizontally from the exterior face of the exterior walls (perimeter columns and mechanical shafts are included), to the centerline of any partitions (including concealed metal studs, block work, masonry, columns, and mechanical pipes and ducts and their enclosures within these partitions) separating the Unit from the residential lobby, from stairs, from elevators and other mechanical equipment or shaft spaces and includes niche areas. Each Retail Unit is measured vertically from the top of the finish floor to the underside of the finished

ceiling. As is customary in New York, these square footages exceed the usable floor area of each Unit. The method of measurement is applicable to all Units. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Unit. Terraces, balconies, yard and roof deck spaces shown on Schedule A are Residential Limited Common Elements for the use and benefit of the Residential Units. As detailed in Schedule A in Part I of the Plan and in the Floor Plans in Part II of the Plan, each Residential Unit has use of certain Limited Common Elements. Units 3, 4, and PH all have a portion of roof terrace area appurtenant to the Units and Unit PH has a front and rear terrace on the 6th floor. Units 3, 4, and PH have a balcony adjacent to the respective unit master bedroom.

3. The Purchase Prices and other terms of sale (as more fully set forth in Part I in the Section of the Plan entitled "Changes in Prices or Units") of Residential Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Residential Units. The Effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices or Units". In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in Part I in the Section of the Plan entitled "Closing Costs and Adjustments". If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY. The Board of Managers has the right to impose license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

4.

a. The Common Interests of each Unit in the Common Elements has been determined pursuant to the method set forth in 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).

b. The percentage interest of each Residential Unit in the Residential Common Elements 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.

5. The estimated monthly Common Charges for each Unit are based on Schedule B – Project Budget for the First Year of Condominium Operations prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from June 1, 2020 to May 31, 2021. The actual First Year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity and gas supplied to the Unit which will be separately metered and payable directly to the utility companies, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit. (See the Section of the Plan entitled "Schedule B-1 - Projected Energy Costs" concerning estimates of certain electric and gas costs for the Residential Units).

   The projected real estate taxes for the first year of operation contained in Schedule A are based on an assessment of the building after the construction/rehabilitation is complete. Purchasers should be aware that real estate taxes may increase materially when the building is reassessed by after the construction/rehabilitation is complete.

6. It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will be approximately $59,350.00, assuming (a) an estimated assessed valuation for the Property of $477,230.00 for fiscal year 2019/2020 reflecting completion of construction based on the real estate tax liability opinion prepared by Metropolitan Realty Exemptions, Inc. dated October 29, 2019 set forth in Part I of the Plan in the section entitled "Opinions of Counsel", and (b) estimated tax rates of (i) 12.612% for the Residential Units (the final class 2 tax rate in effect for 2018/2019); and (ii) 10.514% for the Retail Unit (the final class 4 tax rate in effect for 2018/2019). Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the real estate taxes for the Residential Units will total approximately $55,150.00 and for the Retail Unit, approximately $4,200.00, subject to any change in the above-listed tax rates or assessments. The projected real estate taxes for the first year of operation contained in Schedule A are based on an assessment of the Building before construction is complete. Purchasers must be made aware that real estate taxes may increase when the Building is reassessed after construction is complete. The Sponsor anticipates that construction will be completed by May 15, 2020 and that the property will be reassessed within thirty days thereafter. After the condominium is divided into

individual tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes and the unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on other units. See Special Risks section for further details on the negative risk that this may pose upon the real estate tax liability of potential purchasers.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Register's office. The New York City Department of Finance assesses the values in regard to all New York City residential and commercial properties annually. Based on the assessor's determination of the assessment on taxable status date January 5th, the Department of Finance releases tentative assessments of the property value in January of every year and final assessments every May, prior to the beginning of each tax year, which commences July 1st. Real property tax rates set each year by the City Council are applied to these property values to determine each homeowner's annual tax liability. The property tax assessment process commences when the city's assessors determine the market value of the property. Property tax is only levied on a portion of the market value. This portion is called the assessed value. In regard to 1-3 family homes and condominiums with no more than three (3) stories, provided such property was previously classified as class one (1), the assessed values are levied on 6% of the market value. In regard to all other properties, taxes are levied on 45% of the market value. Based on the assessment guidelines, the Department of Finance Surveyor's Office shall class the Condominium Units as a tax class 2 and thus levy the assessed value on a 45% rate of the market value. The Commercial Unit will be classed as a tax class four and the assessed value will be levied at 45% of the market value. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuation apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principals, Selling Agent, Real Estate Tax Counsel, Income Tax Counsel or any offeror be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than the projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

In the opinion of The Law Offices Lindsay Rubel, P.C., a copy of which is set forth in Part I of the Plan in the Section entitled "Opinions of Counsel", a Residential Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Opinion of Counsel. Purchasers are subject to all exceptions to the applicable deductions for mortgage interest and real estate taxes and to all limitations on the deductibility of mortgage interest and real estate taxes including, but not limited to: i) Purchaser itemizing deductions, ii) Purchaser using the Residential Unit as a primary residence, iii) the limitations on the deductibility of state and local taxes, and iv) Purchaser being an individual.

At this time of this offering residential interest is deductible if paid or accrued during the tax year on indebtedness, which is secured by either the taxpayer's principal residence or in certain designated second homes. With respect to indebtedness incurred in purchasing or substantially improving a Residential Unit the ceiling is $750,000.00, or $375,000.00 in the case of a married individual filing a separate return. However, special limitations may apply to the deductibility of points and prepaid interest. Subject to a limitation on the deductibility of State and local taxes of $10,000.00, or $5,000.00 in the case of a married individual filing a separate return, a Purchaser may deduct its real estate taxes assessed against a Residential Unit for federal income tax purposes if the Purchaser itemizes its deductions.

In some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate tax paid by a taxpayer subject to the alternative minimum tax.

A Purchaser who is a New York State resident individual may deduct mortgage interest and real estate taxes for New York State income tax purposes. New York State taxpayers may deduct home mortgage interest on the first $1,000,000.00 ($500,000.00 if filing separately) of mortgage debt that qualifies as acquisition indebtedness or home equity indebtedness. However, within the $1,000,000.00 cap, the amount of mortgage debt qualifying as home equity indebtedness shall not exceed $100,000.00 ($50,000.00 if married filing separately). New York State tax law does not institute a cap on the deductibility of state and local real estate taxes.

Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property, or changes in tax deduction limits. Sponsor makes no representations concerning the availability of any tax deductions. (See the Section of the Plan entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium: for more details).

7. These figures represent the aggregate estimated monthly carrying charges, which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Residential Unit Owners.

   A Purchaser of a Residential Unit will be required to make a non-refundable contribution at the Closing of Title to the Working Capital Fund in an amount equal to two (2) months' Common Charges with respect to Residential Unit based on the Condominium budget in effect on the Closing Date of the Unit. (See the Section of the Plan entitled "Working Capital Fund" for details.

BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION: SCHEDULE B

Schedule B	
The Homage on 3rd Street Condominium	
497 3rd Street, Brooklyn, NY 11215	
Projected Budget for the Projected First Year of Condominium Operation (See Note 1)	
June 1, 2020 to May 31, 2021 (See Note 1)	
Estimated Income	
Common Charges Income - Residential Units (Note 2)	$59,337
Common Charges Income - Retail Unit (Note 2)	$2,982
Total Estimated Common Charges	**$62,319**
Estimated Expenses (Note 3)	
Porter Service and Related Expenses (Note 4)	$4,200
Gas (Hot Water, Cooking Individually Metered) (Note 5)	$0
Electricity (Note 6)	$4,051
Water Charges & Sewer Rent (Note 7)	$3,596
Repairs & Maintenance (Note 8)	**$7,350**
Supplies & Hardware	$2,500
Plumbing	$450
Electrical	$450
Windows, Doors & Locks	$600
Plastering, Painting & Sheetrock	$600
Elevator Repair (not covered by contract)	$250
General Repairs	$2,500
Service Contracts (Note 9)	**$17,972**
Back Flow Prevention	$300
Elevator Maintenance	$4,500
Exterminating	$900
Central Station Monitoring	$1,176
Fire Extinguishers	$376
Sprinkler	$1,100
HVAC Services	$500
Telephone/Internet	$3,180
Virtual Doorman & Security Video	$5,940
Insurance (Note 10)	$7,750
Management Fees (Note 11)	$6,300
Legal Fees (Note 12)	$500
Accounting & Financial Statement (Note 12)	$1,500
Other Expenses (Note 13)	**$1,050**
Postage & Delivery	$25
Office Expenses	$150
General Expenses	$875
Contingencies (Note 14)	$1,750
Reserve Fund (Note 15)	$6,300
Total (Note 16)	**$62,319**
The Notes to Schedule B below are an integral part of this Schedule and should be read in conjuction herewith.	

ALLOCATION OF COMMON EXPENSES BETWEEN RESIDENTIAL AND RETAIL UNIT

(see also detailed notes which follow)

Expense Items	Total Expenses	Residential Unit Expenses	Retail Unit Expenses
Porter Service and Related Expenses (Note 4)	$4,200	$3,823	$377
Gas (Hot Water, Cooking Individually Metered) (Note 5)	$0	$0	
Electricity (Note 6)	$4,051	$4,051	
Water Charges & Sewer Rent (Note 7)	$3,596	$3,596	
Repairs & Maintenance (Note 8)	$7,350	$7,350	
Supplies & Hardware	$2,500	$2,500	
Plumbing	$450	$450	
Electrical	$450	$450	
Windows, Doors & Locks	$600	$600	
Plastering, Painting & Sheetrock	$600	$600	
Elevator Repair (not covered by contract)	$250	$250	
General Repairs	$2,500	$2,500	
Service Contracts (Note 9)	$17,972	$17,626	$346
Back Flow Prevention	$300	$273	$27
Elevator Maintenance	$4,500	$4,500	
Exterminating	$900	$819	$81
Central Station Monitoring	$1,176	$1,070	$106
Fire Extinguishers	$376	$342	$34
Sprinkler	$1,100	$1,001	$99
HVAC Services	$500	$500	
Telephone/Internet	$3,180	$3,180	
Virtual Doorman & Security Video	$5,940	$5,940	
Insurance (Note 10)	$7,750	$7,054	$696
Management Fees (Note 11)	$6,300	$5,734	$566
Legal Fees (Note 12)	$500	$455	$45
Accounting & Financial Statement (Note 12)	$1,500	$1,365	$135
Other Expenses (Note 13)	$1,050	$956	$94
Postage & Delivery	$25	$23	$2
Office Expenses	$150	$137	$13
General Expenses	$875	$796	$79
Reserve Fund (Note 15)	$6,300	$5,734	$566
Contingencies (Note 14)	$1,750	$1,593	$157
Total (Note 15)	**$62,319**	**$59,337**	**$2,982**

All General Common Charges have been allocated based upon each Unit's Common Interest unless otherwise stated.

A. The Retail Unit Owner's share of service contract expenses is based on their Common Interest applied to the costs of the following service contracts only: back flow testing, exterminating, sprinkler, central station monitoring, fire alarm.

FOOTNOTES TO SCHEDULE B

1. Projected First Year of Condominium Operations

Amounts are projected on the assumption that the First Year of the Condominium Operation will be the year from June 1, 2020 to May 31, 2021. The actual First Year of Condominium Operation may be earlier or later than projected.

If the actual or anticipated date of commencement of condominium operations is delayed by more than six (6) months from the commencement of the projected First Year of Condominium, Sponsor will amend the Plan to include a revised budget disclosing current projections ("Revised Budget Amendment"). If such amended projections exceed original projects by twenty-five (25%) percent or more, Sponsor will offer all Purchasers that entered into Agreements prior to the date of the Revised Budget Amendment the right to rescind for a period of fifteen (15) days after the date of the presentation of the Revised Budget Amendment setting forth the right to rescind and any Purchasers electing rescission pursuant to such offer will have their Down Payment returned.

2. Common Charges

These amounts represent the total Common Charges to be levied against and collected from the Residential Unit Owners and the Retail Unit Owner during the anticipated First Year of Condominium Operation. The Common Charges will be utilized by the Board of Managers to defray the operational expenses of the Condominium. Except as otherwise set forth herein, the Common Charges have been allocated between the Residential Unit Owners and the Retail Unit Owners based on anticipated usage and benefits derived by such Unit Owners, respectively, and between and among the Unit Owners on the basis of percentage of Common Interest allocated to each Unit. Where the allocation of Common Expenses is not based on percentage of Common Interest, or Common Expenses have been allocated only certain categories of Units, such circumstances are set forth in the following notes. The Retail Unit Owner will only be obligated to pay their respective allocable share of those expenses that are incurred by the Board of Managers in furnishing services, operating and maintaining those Common Elements, which are utilized by and serve such Retail Unit Owner. Those Common Charges that have been allocated on the basis of Common Interest have been allocated on such a basis as follows: Those expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Residential Units, for a total of 91.0361%. Common Charges to be borne by the Owner of the Retail Unit has been allocated on the basis of such Retail Unit Owner's Common Interest for a total of 8.9639%.

3. Estimated Expenses

Common Charges include the costs and expenses incurred in connection with the maintenance and operation of, and any alteration to, the General Common Elements and the provision of services to all Unit Owners in general, such as service contracts applicable to the Building as a whole, employees who will provide services to the entire Condominium, the Managing Agent for the Condominium, and insurance coverage for the Common Elements.

4. **Porter Service and Related Expenses**

Due to the small size of the Property, a live-in superintendent or full-time superintendent will not be employed. Porter services and minor repairs will be performed by staff of the Management Company selected by the Sponsor and shall be complaint with all applicable housing and labor laws. Services will include trash and recycling removal on all days designated by the Department of Sanitation as days for the collection of trash ("Sanitation Days"), periodic and as-needed cleaning of interior of common areas of Property, cleaning of external sidewalk as needed and minor repairs. Purchasers will be required to separate their respective recycling from their trash and place the recycling and trash into the appropriate receptacles for disposal. The Retail Unit Owner is responsible for making its choice of disposal of its refuse and recycling from a private sanitation and recycling company that provides service to the area. This is a **special risk** of this Plan.

5. Gas (Domestic Hot Water, Cooking):

Based on the estimate dated November 18, 2019 by Levin Engineering PLLC, located at 28 Dooley St., 2nd Floor, Brooklyn NY 11235, it is anticipated that gas for domestic hot water and cooking gas will be individually metered to each Unit. The developer installed electric heaters for use as reasonably needed in the lobby area. The Plan does not provide for gas heat in the Common Areas and therefore the Sponsor does not anticipate that the Building will incur gas charges for the General Common Areas. See Part I of the Plan in the Sections entitled Schedule A and Footnotes to Schedule A for further detail on projected consumption for the Projected First Year of Condominium Operation for individual Units. See also the Section of the Plan entitled "Projected Energy Report" in Part I of the Plan.

6. Electricity: $4,051.00

Based on the estimate dated November 18, 2019 by Levin Engineering PLLC, located at 28 Dooley St., 2nd Floor, Brooklyn NY 11235, it is anticipated that light and power for the Common Elements as well as the mechanical equipment will be approximately 16,879 KW/HR/YEAR at an annual cost of $0.24 X KW/HR. Levin Engineering PLLC indicates that the estimate includes an adjustment for inflation factor and taxes are included in the calculations.

Electricity (including current necessary to operate HVAC Systems) shall be supplied to all Units through a separate meter for each such Unit, and the cost of electricity consumed or used in each such Unit or any Residential Limited Common Elements appurtenant thereto shall be payable directly to the utility company. See Part I of the Plan in the Sections entitled Schedule A and Footnotes to Schedule A for further detail on projected consumption for the Projected First Year of Condominium Operation for individual Units. The Condominium shall be responsible for paying any electric charges for the electric heating of the lobby area from the Common Charges of the Unit Owners on a pro rata basis.

7. Water Charges and Rent: $3,596.00

Based on the estimate dated November 18, 2019 by Levin Engineering PLLC, located at 28 Dooley St., 2nd Floor, Brooklyn NY 11235 included in Part I of the Plan in the section entitled "Projected Energy Costs", it is anticipated that water charges for the Residential and Retail Units and all Common Elements, will be approximately 355 cubic feet of water per year at a combined rate of $10.10 per 100 cubic feet (HCF) of water used.

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building.

Water charges and sewer rents for the Retail Unit will not be separately metered, however the Board of Managers may elect to hire a service provider to install a water consumption meter to individually assess the Retail Unit water consumption. The Board of Managers may in turn charge the Retail Unit with the Unit's pro rata share of water consumption charges, as well as the cost of the service provider to monitor the Retail Unit consumption. This paragraph contains a **special risk** of this Plan because the Retail Unit is not separately metered and may consume more water than anticipated to operate its business.

8. Repairs and Maintenance: $7,350.00

This estimate includes painting, maintenance and repair costs of the General Common Elements and Residential Common Elements only. Unit Owners will be responsible for the cost of repairs and painting in the interiors of their Units. No provision has been made to cover the cost of any capital expenditure. This estimate also includes the estimated annual cost of services and supplies (excluding service contracts) provided to and for the benefit of the Units. This estimate is based on the experience and input of Sponsor's Budget Expert, Bedford Management Company ("Bedford MGMT"), in operating comparable buildings.

Repairs & Maintenance (Note 8)	**$7,350.00**

Supplies & Hardware	$2,500.00
Plumbing	$450.00
Electrical	$450.00
Windows, Doors & Locks	$600.00
Plastering, Painting & Sheetrock	$600.00
Elevator Repair (not covered by contract)	$250.00
General Repairs	$2,500.00

9. Service Contracts and Supplies: $17,972.00

This estimate includes the cost of various services used in or for the Common Elements, including, but not limited to, elevator service, fire and sprinkler systems and virtual doorman services. No maintenance or service contracts have been entered into as of the filing date of the Plan. The budgeted amounts are based on estimates received from contractors and the experience of Sponsor's budget expert, Bedford Management Company ("Bedford MGMT"), in operating comparable buildings. While Schedule B includes a reasonable allowance for possible increases in cost, which may occur prior to and during the First Year of Condominium Operation, no warranty or guarantee is made that the actual cost of these services or other services will be in accordance with the projection. The Retail Unit Owner will share in the expense of only the costs of Porter Service, Exterminating, Central Station Monitoring, Fire Extinguisher Servicing and Telephone/Internet, based on their Common Interest Percentage.

Service Contracts Total (Note 9)	**$17,972.00**
Back Flow Prevention	$300.00
Elevator Maintenance	$4,500.00
Exterminating	$900.00
Central Station Monitoring	$1,176.00
Fire Extinguishers	$376.00
Sprinkler	$1,100.00
HVAC Services	$500.00
Telephone/Internet	$3,180.00
Virtual Doorman & Security Video	$5,940.00

10. Insurance: $7,750.00

The insurance premiums are based on a letter from Bermack, Champion & Lewing, 14 Penn Plaza, Suite 1611, New York, NY 10122. The fire, casualty and general liability are on the terms set therein:

Building: $4,000,000.00 Special form including flood, earthquake, back-up of sewers or drains, Building Ordinances or Laws, Agreed Amount, Replacement Cost;
Deductible per Building Claim $5,000.00
Loss of Maintenance Fees Actual Loss Sustained for 12 Months;
Equipment Breakdown coverage: Included
Liability Limit per Occurrence $1,000,000.00;
Aggregate Limit of Liability- $2,000,000.00
Fire Damage to Rented Premises Legal Liability $50,000.00;
Medical Expenses to Others, per Person Limit $5,000.00;
Directors and Officers Liability Limit $1,000,000.00
Employee Dishonesty Coverage, for Property Manager and Officers $50,000.00
Excess "Umbrella" Liability insurance $25,000,000.00

The insurance provided will include each unit owner as an "additional insured" party and that there will be no cancellation without notice to the Board of Managers and will include a waiver of subrogation, a waiver of invalidity because of acts of the insured and Unit Owners, and a waiver of pro-rata reduction if owners obtain additional coverage.

This 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, nor does it include coverage of any Unit (as such term is more particularly described in the Plan and the Declaration).

Although the insurance company believes the amount of insurance provided should be adequate to rebuild the building structure if totally destroyed by an insured peril, the policy does not guarantee to do so, and is not required to rebuild or replace individual fixtures or improvements by individual unit owners in their individual units. The 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 Closing.

Additional coverage may be available for Purchasers at extra cost to cover any items not included in the offering, such as rent insurance, auto liability, water damage, elevator collision, boiler and machinery, excess liability, and fidelity bond. Purchasers may also consider obtaining additional insurance at their own extra cost to cover such risks as fire and casualty losses to unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on limited common elements.

11. Management Fee: $6,300.00

Based on the management agreement to be entered into with Kaito Management Corp. at or before the First Closing, it is expected that the Managing Agent will receive an annual fee of $6,300.00 for the First Year of Condominium Operations. Reference should be made to the Section of the Plan entitled "Management Agreement" in Part I of the Offering Plan for further details of the Management Agreement. A principal of Kaito Management Corp. is the son of the trustee of the principal of the Sponsor. The relationship between the management company and the trustee of the principal of Sponsor is a **special risk** of this Plan.

12. Legal and Audit Fees: $2,000.00

Based upon the estimate set forth in a letter dated October 29, 2019 from Lesley Mozeson, CPA, located at 16 Sugar Hill Drive, Pawling, New York 12564, Sponsor has budgeted $1,500.00 for estimated accounting fees in connection with the preparation of the compilation financial statements for the First Year of Condominium Operation and federal, state and city income tax returns. The balance of the budgeted amount ($500.00) has been estimated to provide for minor legal services to be rendered in connection with the operation of the Building, such as the negotiation of minor agreements. This amount has been allocated between the Residential and the Retail Unit on the bases of Common Interest. Purchasers must consider the limited amount allocated in the budget for legal services as a **special risk** of this Plan.

13. Other Expenses: $1,050.00

Other Expenses covers telephone, office supplies, office equipment, postage, special communications and mailing to the Unit Owners, annual meetings, and general expenses.

Other Expenses Total (Note 13)	**$1,050.00**
Postage & Delivery	$25.00
Office Expenses	$150.00
General Expenses	$875.00

14. Contingency: $1,750.00

This fund may be used at the discretion of the Board toward unforeseen expenses or other appropriate Condominium expenses. The purpose of the contingency is to provide for unanticipated expenses or unanticipated increases in projected expenses.

15. Reserve Fund: $6,300.00

The Sponsor will not contribute to the reserve fund or the working capital fund for capital replacements or repairs. The Working Capital Fund will be funded entirely by contributions from purchasers. However an allowance of approximately 10% ($6,300.00) of the projected gross income of the Condominium first year of operation has been incorporated into the operating budget to finance the replacement of building components and to satisfy the requirements of VA, HUD, FNMA and FHLMC. The Condominium shall be responsible for contributing $6,300.00 to the Reserve Fund during the initial year of operation and shall budget 10% of the annual projected gross revenue of the Condominium in subsequent years. This reserve fund shall be maintained from regular assessments for common expenses. Purchasers must consider the absence of legal fees in the budget as a **special risk** of this Plan.

16. Total Expenses: $62,319.00

IT IS THE OPINION OF BEDFORD MANAGEMENT COMPANY ("BEDFORD MGMT") THAT THE PROJECTED INCOME IS ADEQUATE TO MEET THE PROJECTED COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE 12-MONTH PERIOD COMMENCING JUNE 1, 2020. 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 INCOME AND EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY WILL BE AS SET FORTH IN THE BUDGET SINCE THE ANNUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSE MAY VARY FROM AMOUNTS SHOWN IN THE BUDGET BASED ON FACTORS SUCH AS INFLATION, CHANGES IN THE ECONOMY AND UNFORESEEN FACTORS.

The Sponsor reserves the right to enter into additional or other service, maintenance, employment, concessionaire and other agreements that will be binding on the condominium upon commencement of condominium operation. Sponsor shall not, however, enter into any binding service, maintenance, employment, concessionaire, or other agreements that will materially increase the first year's projected Common Charges or that will be binding on the Condominium for a period of more than two (2) years, unless the Plan is amended.

****

The foregoing projected budget may be modified from time to time prior to commencement of and during the First Year of Condominium Operation, to add or delete or increase or decrease one or more items of operating expenses. If additional funds are required to pay expenses, it may be necessary to increase Common Charges or specially assess Unit Owners.

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PROJECTED ENERGY COSTS: SCHEDULE B-1

November 18, 2019

Levin Engineering PLLC

GAS & ELECTRICAL ENERGY REPORT

497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

It is not possible to predict how closely the estimated figures will reflect the actual expenses for gas and electricity during the first year's operation since such expenses will vary with the occupancy rate, temperature set points in individual units, or fluctuations in fuel cost adjustments, State and City Surcharges and variations in annual climactic conditions. However, adjustments have been made for inflation and taxes are included in the calculations.

The attached are estimations of the energy calculation based on electric utility, water and sewer charges. The following parameters were used to determine same.

1. Indoor design temperature – 72 degrees F.
2. Winter outdoor design temperature –5 degrees F.
3. Ground temperature – 50 degrees F.
4. Normal heating season of 5151 degrees day per year.
5. The energy factor of gas hot water heaters – 0.70
6. Insulation factors:
    a. Roof "R" value = 19
    b. Exterior Wall "R" value = 18
    c. Glass "R" value = 1.7
7. Each apartment unit will have its own electric meter for lighting and appliances.
8. There will be (1) electric meter for the vestibule, exterior lighting, stair lighting, and air conditioning on roof for common spaces.
9. Each apartment unit and will have its own gas meter.

Energy rate structure for electricity use is based on Con Edison Rate EL1 Residential.
Gas rate, as per National Grid



28 Dooley St., 2ND Fl.
Brooklyn, NY 11235
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WATER CHARGE & SEWER RENT

497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

Water and Sewer Charges for the metered building are assessed by the City of New York based on the actual amount of usage. The City of New York currently charges $10.10 per hundred cubic feet (HCF) of water and sewer (approximately 748 gallons). There will be one water meter servicing the entire building.

We estimate that daily water consumption will be about 210 gallons for the penthouse unit, about 140 gallons per apartment unit (3 in total) and about 100 gallons per commercial space for an annual water consumption of:

1 Penthouse x 210 gallons x 365 days = 76,650 gallons = 102 HCF
102 x $10.10 = $1,030 per year

3 Apartments x 140 gallons x 365 days = 153,300 gallons = 204 HCF
205 x $10.10 = $2,071 per year

1 Commercial space x 100 gallons x 365 days = 36,500 gallons = 49 HCF
49 x $10.10 = $495 per year

TOTAL ANNUAL WATER USAGE FOR ENTIRE BUILDING:	$3,596
TOTAL QUARTERLY WATER USAGE FOR ENTIRE BUILDING:	$899

Based on current combined water and sewer rates of $10.10 per HCF, this calculation incorporates inflation rates.

* These costs may vary based on occupancy and use



497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

GAS USAGE FOR EACH RESIDENTIAL UNIT

COOKING COST FOR ALL APARTMENTS:
60MBH/hr x 1hr/day x 30days/months x 12 months = 216 therms/yr
100MBH/therm

216 therms/yr x $2.40/therms = $517 yr.

TOTAL ANNUAL USAGE: $517
TOTAL MONTHLY USAGE: $43

RESIDENTIAL HOT WATER:
25MBH/hr x .60 x 2hr/day x 30days/months x 12 months = 108 therms/yr
100MBH/therm

108 therms/yr x $2.40/therm = $260 yr.

TOTAL ANNUAL USAGE: $260
TOTAL MONTHLY USAGE: $22

TOTAL ANNUAL USAGE FOR EACH RESIDENTIAL BUILDING: $777
TOTAL MONTHLY USAGE FOR EACH RESIDENTIAL BUILDING: $65

COMMON GAS USAGE FOR RESIDENTIAL UNIT

COMMON HOT WATER:
199MBH/hr x .60 x 1hr/day x 30days/months x 12 months = 430therms/yr
100MBH/therm

430 therms/yr x $2.40/therm = $1,032 yr.
TOTAL ANNUAL USAGE FOR COMMON RESIDENTIAL BUILDING: $1,032
TOTAL MONTHLY USAGE FOR COMMON RESIDENTIAL BUILDING: $86

* These may vary based on occupancy and use



497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

ELECTRICAL USAGE

Typical calculations for units:
Residential Unit # 1, Residential Unit # 2, Residential Unit # 3
Ranging at 891 ft^2

Lighting: 0.7w x 891 ft^2 x 2hr/day x 30days x 12months = 449 kw/year

A/C heat pump units: 2.4 kw x 8hr/day x 30days x 6months = 3,456 kw/year

Washing Machine: 0.5 kw/hr x 48hr/month x 12months= 288 kw/year

Electric Dryer: 4 kw x 9hr/month x 12months = 432 kw/year

Dishwasher: 1.5 kw/hr x 48hr/month x 12months = 864 kw/year

Refrigerator: 0.15kw x 24hr/day x 30days x 12months = 1,296 kw/year

Electric water heat cost: 6.24kw x 2hrx30 days x 12 months = 4,493 kw/year

Annual Usage: 11,278 kw

Annual Cost:

11,278 KW/HR X 24¢/kw =	$2,707
TOTAL ANNUAL USAGE:	$2,707 or $225.56 per month

* These costs may vary based on occupancy and use



497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

ELECTRICAL USAGE

Typical calculations for units:
Penthouse unit
Ranging at 1287 ft^2

Lighting: 0.7w x 1,287 ft^2 x 2hr/day x 30days x 12months = 649 kw/year

A/C heat pump units: 3.2 kw x 8hr/day x 30days x 6months = 4,608 kw/year

Washing Machine: 0.5 kw/hr x 48hr/month x 12months= 288 kw/year

Electric Dryer: 4 kw x 9hr/month x 12months = 432 kw/year

Dishwasher: 1.5 kw/hr x 48hr/month x 12months = 864 kw/year

Refrigerator: 0.15kw x 24hr/day x 30days x 12months = 1,296 kw/year

Annual Usage: 8,137 kw

Annual Cost:

8,137 KW/HR X 24¢/kw = $1,953

TOTAL ANNUAL USAGE: $1,953 or $162 per month

* These costs may vary based on occupancy and use



497 3rd Street
Proposed 6-story; 5-unit Condominium
Brooklyn, NY

COMMON ELECTRICAL CHARGES FOR RESIDENTIAL UTILITY COST

Lighting Cost:
Public Space Lighting Cost:
1,376 ft^2 (approx.) x 0.7 Watt/ft^2 x 24hrs/day x 365 days/yr = 8,438 kw/yr
8,438 kw/yr @ $.24/kw = $2,025 per year

Elevator:
(1) 10HP
7.5kw x 5hrs x 30days x .25 x 12months = 2,375kw/year
2,375kw/yr x $.24/kw = $810 per year

Domestic Booster Pump:
(1) 3 HP booster pump
2.24 kw x 1hrs x 30days x 12months = 806 kw/year
806 kw/yr x $.24/kw = $193 per year

Sewage Ejector Pump:
(1) 2 HP booster pump
1.49kW x 1hrs x 30days x 12months = 536 kW/year
536 kW/yr x $.24/kW = $129 per year

Electric Board Heater:
(3) x 1.5 kW/hr x 3hr/day x 30days x 6months= 2,430 kW/year
2,430 kW/yr x $0.24/kWh = $583 per year

Common space/Utilities Air Conditioner:
(1) x 2.4 kW = 2.4 kW
2.4 kW x 3hrs x 30days x 6months = 1,296 kW/year
1,296 kW/yr x $.24/kw = $311 per year

TOTAL ANNUAL USAGE: $4,051 or $338 per month

* These costs may vary based on occupancy and use



OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-I

Damion M. Sanders, Esq.
865 President Street
Brooklyn, New York 11215
(917) 543-4229
damionsandersesq@gmail.com

November 12, 2019

Subject: Opinion of Sponsor's Counsel
The Homage on Third Street Condominium
497 Third Street
Brooklyn, New York 11215 ("Property)

Ladies and Gentlemen:

You have requested an opinion regarding the allocation of Common Interests to the Unit at the Property as required by 13 NYCRR § 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Condominium Offering Plan ("Plan") for the Property.

In connection with the rendering of this opinion counsel reviewed the determination of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. Counsel also considered the relevant sections of the New York State Condominium Act and such other materials as deemed relevant. The opinion of counsel is also based upon the factual determinations made by Bedford Management ("Real Estate Management Company") set forth in its opinion contained in the Plan as required by 13 NYCRR § 20.3(i). Counsel has made no independent investigation of the truth or accuracy of the factual determinations of Real Estate Management Company.

Based upon review of the foregoing, counsel has determined that the method selected by the Real Estate Management Company to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") 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).

This opinion, while based upon existing rules of law applied to the facts and documents referred to above is not a guarantee to Purchasers. In no event will Damion M. Sanders, Esq., the Selling Agent, the Managing Agent or the Condominium Board of Managers be liable if there are changes in the facts on which counsel has relied in issuing this opinion or if there are changes in RPL Section 339 or any other applicable law.

This opinion expressed herein is based solely on New York Law.

Very truly yours,

Damion M. Sanders, Esq.
Counsel for the Sponsor

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)(1)(iv)

BEDFORD MGMT
398 MANHATTAN AVE
BROOKLYN, NY 11211
OFFICE: 718-388-0025
FAX: 718-388-0065
HTTP://WWW.BEDFORDMGMT.COM

Dated: November 12, 2019

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

Re: The Condominium Offering Plan (the "**Plan**") for
The Homage on 3rd Street Condominium (the "**Condominium**")
497 3rd Street
Brooklyn, New York (the "**Premises**")

To Whom It May Concern:

All capitalized items not otherwise defined herein shall have the same meanings ascribed to them in the Plan, as amended.

The Sponsor has requested my opinion on whether the method used to determine the undivided percentage of common interest of each Unit in the Common Elements in the above referenced Condominium complies with Real Property Law Section 339-i ("Section 339-i").

Our experience in the field includes [the management of] real estate properties for over twenty-five (25) years. We currently manage approximately 120 properties, comprising approximately 850 residential and commercial units.

In connection with this opinion, I have reviewed Schedule A of the Plan, the Declaration and the Floor Plans and have assumed the statements and information contained therein are correct and accurate. I have not reviewed or verified the calculations of floor areas used in determining the sizes of the Units or the Limited Common Elements.

The Declaration states that "the percentage of Common Interest allocated to each Unit is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit." Article Tenth also states that the aggregate Common Interests of all Units equal one hundred percent (100%).

Section 339-i requires that the Common Interest of each Unit be based on any one of several methods of calculation. One of these allowable methods is the method stated in Article Tenth of the Declaration (Section 339-i(1)(iv)).

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(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I/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.

I/We further certify that I am/we are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law

By: _____
Name: Matthew Gelfand
Title: Managing Agent

Sworn to before me this
12 day of November, 2019

_____
Notary Public

BOGUMILA T. ROSEBURG
NOTARY PUBLIC - STATE OF NEW YORK
NO. 01RO5071459
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JANUARY 13, 2023

RETAIL UNIT

As more particularly described in the Declaration and in the Description of the Property and Building Condition, each of which are contained in Part II of the Plan, the Condominium will contain one (1) Retail Unit/Commercial Unit. The Retail Unit will be located on portions of the first floors and will comprise of approximately 384 square feet.

The Retail Unit is being offered pursuant to the terms of the Plan. The Retail Unit may be used for any legal use permitted by the Zoning Resolution of the City of New York, as amended, or other applicable laws, including any grandfathering of prior uses, subject to the restrictions and limitations imposed by the Board of Managers and the Plan.

The Sponsor reserves the right to offer the Retail Unit for sale or rental without the consent of the Board of Managers.

The owner of the Retail Unit shall have the right to make alterations, additions, improvements or repairs to the Unit to combine one or more commercial units, subject to the approval of the Board of Managers and compliance with all applicable codes, the Declaration, By-Laws and Rules and Regulations.

No representation is made (i) with respect to the future ownership or tenancies of all or any portion of the Retail Unit and (ii) that the owners, tenants, occupants, or other users of the Retail Unit will not be objectionable to Residential Unit Owners, their permitted Users, or any other parties.

Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Retail Unit is subject to the following restrictions: (1) the retail unit may not be used for any of the following purposes at any time: (i) a bank or medical office, (ii) a cabaret, a nightclub, or any use involving continuous live or recorded music, entertainment, and/or dancing, (iii) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (iv) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (v) for any use that is primarily concerned with lewd or prurient sexual activity, (vi) an in-patient or out-patient center for drug, alcohol, or mental health treatment, (vii) a homeless shelter or any center offering food or other special services to the homeless; (2) additionally, the Retail Unit may not be used for any of the following purposes without Board of Managers approval, in its sole discretion, provided however that Sponsor, its affiliate, and its Permitted Users, shall be exempt from such Condominium approval: (x) a restaurant, a coffeehouse, a bar, a lounge, or for any use involving the preparation, sale or storage of food and/or beverages, (y) a grocery store, a mini-mart, or a convenience store, or (z) a health club or spa. With the exception

of the foregoing restrictions and limitations the Retail Unit may otherwise be used for any purpose permitted by Law and no representation is made with respect to the uses to which any portion of the Retail Unit may be put to use at any time. The use of the Retail Unit may generate noise, traffic, fumes, odors, vibrations, or other disturbances over which the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits, or revenues generated from the business, rental, or other use of any space in the Retail Unit. The backyard Limited Common Element attributed to the Retail Unit may not be used for any permanent occupancy condition.

The Retail Unit Owner will be obligated to pay its portion of the Common Charges in accordance with the allocations set forth in the Section of the Plan entitled "Budget for the First Year of Condominium Operation: Schedule B" ("Schedule B"). As set forth in the Footnotes annexed to Schedule B, 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 a particular item or expense or exclusive control of particular Common Elements. The basis for projecting the share of expenses attributable to the Retail Unit is anticipated usage by the Retail Unit. In the opinion of the Sponsor's budget expert, the allocated Common Charges payable to the Retail Unit are sufficient to cover the expenses fairly attributable to the Retail Unit. See the Certification by Expert on Adequacy of Common Charges Payable by the Commercial Unit Owners in Part II of the Plan.

The Retail Unit Owner shall be solely responsible for its own waste, trash and recycling. The Retail Unit Owner must make its own choice of disposal of its refuse and recycling from a private sanitation and recycling company that provides service to the area where the Condominium is located.

The Retail Unit Owner (including Sponsor, for so long as Sponsor shall own the Retail Unit) shall have the right to designate one (1) member to the Board of Managers. The Board Member designated by the Retail Unit Owner may only be removed from the Board of Managers by the Retail Unit Owner, and the Retail Unit Owner alone will have the right to elect or designate a replacement.

Any alterations, modifications, additions, improvements, or repairs by Retail Unit Owner are to be performed at the applicable Retail Owner's sole cost and expense and must be in compliance with the Law and the terms of the Declaration and the By-Laws.

The Declaration and/or By-Laws do not specifically authorize the Board of Managers to allocate or apportion profits and expenses or specific expense items based on special or exclusive use or availability or exclusive control of particular units or common areas.

The Retail Unit Owner has certain rights and obligations that differ from those of the Residential Unit owners in that the Retail Unit is not residential and may be used for commercial purposes and/or subdivided. The Retail Unit Owner is entitled to appoint one (1) member to the Board of Managers. The designation rights held by the Retail Unit Owner are a **special risk** of this offering plan because the Retail Unit Owner may have interests that differ from those of the Residential Unit Owners. However such differences in rights and obligations will not have a material adverse impact upon the Condominium.

In the event that the Retail Unit and Condominium cannot agree upon special allocations, expense share, or the Common Charges, then a licensed real estate broker mutually selected by the Condominium and the Retail Unit Owner shall determine the outcome. In the event that the Retail Unit Owner and Condominium cannot agree upon a licensed real estate broker, or if the Retail Unit Owner and Condominium cannot agree on any decision or determination to be made in connection with any special allocations, expense sharing, or Common Charges, then in such event, the Retail Unit Owner and Condominium may arbitrate, on an expedited basis, the dispute pursuant to the provisions of Article XV of the By-Laws of the Condominium. The decision of the arbitrator shall be final and binding. In the event that arbitration is commenced, the Retail Unit Owner and the Board of Managers of the Condominium on behalf of all of the Residential Unit Owners may exercise all remedies available to them in equity and at law.

Reference should be made to the Declaration and the By-Laws set forth in Part II of the Plan for details with respect to rights and obligations of the Retail Unit Owner relating to the use and ownership of the Retail Unit.

CHANGES IN PRICES AND UNITS

The Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without prior notice and without consent of the Board of Managers, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit. The aforementioned right is subject to the requirements of the applicable law, as set forth below.

An amendment will be filed when the change in price is an across the board change affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual purchaser. Unless it would constitute a prohibited discriminatory inducement, prices and specified terms of sale are negotiable and the Sponsor may enter into an agreement with an individual purchaser to sell one or more units at prices lower than those set forth in Schedule A without filing an amendment.

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.

Unless an affected purchaser consents, no material change will be made in the 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.

No material change will be made in the size and no material adverse change will be made in the quality of common elements unless all purchasers consent to such change. Such change will be disclosed in an amendment to the offering plan. Purchasers will receive not less than fifteen (15) days notice after the presentation of the amendment to exercise such rescission. Sponsor will return any down payment to purchasers who rescind pursuant thereto.

In order to meet the possible varying demand for the number and type of Units, or to meet the particular requirements of prospective purchasers, or for any other reason, Sponsor for itself and its designees, reserves the right (except to the extent prohibited by law) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, or Unit Owner, shall have the right to: (i) change the layout of, or number of rooms in, any Unsold Unit, (ii) change the use of any Unsold Units (including changing the use of certain units from residential to professional or commercial, so long as the same is a legal and permissible use), or change

the size and/or number of Unsold Units by subdividing one or more Units into two or more separate Units, combining separate Unsold Units (including those resulting from such sub-division or otherwise) into one or more Units, altering any boundary walls between one or more Unsold Units, or otherwise and (iii) if appropriate, reapportion among the Unsold Units affected by any such change, their Common Interests. In the event of any change pursuant to either subparagraph (ii) or (iii), such change shall be disclosed in a duly filed amendment to this Plan. No such change will be made with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the purchaser is not in default unless the purchaser consents thereto or unless such change will not alter the Common Interest of such Unit. The Common Interest of a Unit may change if there is change in the ratio of the floor area of such Unit to the total floor area of all Units, reflecting, however, the substantially exclusive advantages, of any, enjoyed by one or more but not all Units in a part or parts of the Common Elements.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit be changed, or the amount of quality of Common Elements directly affecting or serving a unit be changed, unless in such event the Declaration and Floor Plans are each amended and such amendments are duly recorded. However, no change in a Unit's Common Interest after the recording of the Declaration will be made without obtaining the prior reasonable consent of all Unit Owners affected by such change and in addition, any such amendment to the Declaration and Floor Plans will be disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to, or cause the Board of Managers to, so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units.

Provided that the layout and dimensions of a Unit conform substantially to the Floor Plans, a purchaser will not be excused from purchasing his, her, or their Unit for such reason and will not have any claim against the Sponsor as a result of such deviation. All material changes from the Floor Plans will be disclosed by a duly filed amendment to this Plan.

The provisions in this Section of the Plan shall also apply to Ancillary Amenities, as applicable.

INTERIM LEASES

The Sponsor may, at its sole discretion, grant a purchaser the right to take possession of a vacant unit prior to closing of said unit, provided that:

1. Such purchaser(s) has executed a Purchase Agreement for said unit and is not in default of such Agreement;

2. Such purchaser(s) accepts the unit in its "as is" condition;

3. An "Interim Lease" Agreement is entered into between the purchaser(s) and the Sponsor, satisfactory to all parties, pursuant to which the purchaser(s) agrees to pay to the Sponsor a "use and occupancy" fee from the date of said Interim Lease to the date of closing of said unit. Such fee shall be in a sum acceptable to all parties to the Agreement and shall not exceed the maximum rental that may be legally collectible. The Agreement will provide, among other things, that the purchaser(s) in possession shall from the date of said Interim Lease, in addition to the use and occupancy fee, pay all utility costs and make all repairs the purchaser(s) would be obligated to make to the unit as the owner of the unit.

4. A person in possession who is not an owner cannot insure the Unit since he or she has no ownership interest, and the Unit cannot be doubly insured. A person who takes possession prior to closing assumes the risk of losses not covered by insurance. The risk of loss described in this paragraph 4 is a **special risk** of this Plan.

5. It shall be a default under the interim lease if the tenant fails to comply with all the terms and conditions of his, her, or their obligations under the Purchase Agreement. It shall be a default under the Purchase Agreement if the purchaser has entered into an interim lease with the Sponsor and has failed to comply with all the terms and conditions of such interim lease. Before the Sponsor may utilize the default under the interim lease to declare a default under the Purchase Agreement, either: (i) the Sponsor must obtain an order of Eviction or other judgment or order from a court or agency of competent jurisdiction against the purchaser or (ii) the purchaser must have vacated the unit. The down payment paid upon execution of a Purchase Agreement shall stand to guarantee rent due under the Interim Lease. In the event a purchaser refuses or fails to pay any rent due under the Interim Lease, such rent, at Sponsor's option, may be paid from the down payment paid on the Purchase Agreement. Unless the Purchaser voluntarily vacates the Unit, the Sponsor may only gain possession of the unit upon default by order of eviction or other judgment by a court of competent jurisdiction. The cross default provisions described in this paragraph of the Plan that exist between the Interim Lease and the Purchase Agreement are **special risks** of this Plan.

6. It should be noted that until a purchaser takes title to his, her, or their unit, no purchaser will be able to claim income tax deductions for real property taxes described in the Offering Plan.

7. No portion of the use and occupancy fee will be applied to the purchase price of the respective unit.

8. The use and occupancy fee due under the Interim Lease Agreement will be adjusted between the occupant and the Sponsor at the closing of the purchase of said unit.

9. The Agreement shall also provide that if the Purchaser(s) defaults under the Purchase Agreement, or if the Purchase Agreement is rescinded pursuant to any right to do so, the Purchaser's right to occupy the unit shall terminate and the unit must be vacated within thirty (30) days immediately after notice to vacate is mailed to the purchaser by certified mail, return receipt requested. It shall also provide that if the Plan is abandoned, the purchaser shall retain his or her rights to occupy the unit pursuant to the terms of the Interim Lease and any other applicable laws and regulations.

10. This interim lease may be altered as to form or content to conform to the particular facts of a particular transaction.

11. The Agreement will be subject to applicable laws, if any.

12. The rent protection laws do not apply to the Building or the Units and are not applicable to the Interim Lease and/or the interim lessees described in this Plan, and the rent protection laws shall not apply to the Building in the event that the Plan is abandoned.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute a Purchase Agreement in quadruplicate in the form set forth in Part II of the Plan. A Purchaser also interested in acquiring an Ancillary Amenity (i.e. a Storage Room) will be required to execute the form of Rider (or Ancillary Amenity License) set forth in the Purchase Agreement in Part II of the Plan. Purchase Agreements will not be binding on Sponsor until approved and executed by the Sponsor and a copy so executed is returned to the purchaser. Sponsor will have twenty (20) days within which to accept or reject such Purchase Agreement. If no action is taken by Sponsor within such twenty (20) day period, purchaser's offer will be deemed rejected and Sponsor will refund the deposit previously tendered. No purchaser shall execute a Purchase Agreement unless Sponsor has given such purchaser at least a three (3) business day period within which time purchaser can review the Plan and all filed amendments thereto unless fewer than three (3) business days remain in the statutory time period to declare the plan effective.

At the time a Purchase Agreement is executed, a Purchaser is required to make a down payment by check drawn to ("DAMION M. SANDERS, ESQ., OFFERING PLAN ESCROWS ATTORNEY TRUST ACCOUNT") in an amount equal to the sum of ten (10%) percent of the purchase price or such lesser sum that the Sponsor may agree to ("Down Payment") but not less than one thousand ($1,000.00) dollars. However, such down payment may be increased for special work or materials (if offered) ordered by the purchaser and itemized in the Purchase Agreement. The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit, and, if applicable, the Ancillary Amenity License. The deed and Ancillary Amenity license shall be substantially in the form as set forth in Part II of the Plan. Interest, if any, on Purchaser's Premium Payment shall be credited or paid to Purchaser at Closing

All payments made pursuant to the Purchase Agreement are subject to the requirements of Section 71-a(3) of the State of New York Lien Law and sections 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Pursuant to these laws, Sponsor will cause all Premium Payments received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the section of Part I of the Plan entitled "Escrow and Trust Fund Requirements".

After the plan has been declared effective the sponsor will fix dates for closing title to all units 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. Such notice will be served no less than thirty (30) days before the date set for closing the of the units. Purchasers may waive this thirty (30) day provision with the Sponsor's

consent. The Sponsor will, after default, send written demand for payment at least thirty (30) days prior to declaring the down payment forfeited.

The Sponsor reserves the right to seek specific performance of the Purchase Agreement in the event of a default by a purchaser, which is a **special risk** of this Plan.

At the closing, the Sponsor will execute and deliver to the purchaser a Unit Deed, as contained in this Offering Plan (See "Unit Deed" in Part II of the Plan on page 179). Time is of the essence as to Purchaser's obligations under the Purchase Agreement, including, without limitation for the payment of all down payments, which is a **special risk** of this Plan.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction will be sufficiently completed to permit closings of Residential Units to begin on or about June 1, 2020. In the event that the Sponsor delays a closing by twelve (12) months or more then the purchaser shall have the right to rescind the purchase agreement. Purchasers will be offered a right of rescission if: (i) the actual date of closing of title to the first unit; or (ii) the projected date of closing of title to the first unit occurs later than May 31, 2021, twelve months after the projected date for the first closing. If the Plan is amended to provide for a later projected date for closing, purchasers will be entitled to an offer of rescission if the first closing occurs more than twelve (12) months beyond that amended, later date.

However, if the first unit closing occurs before May 31, 2021, the Sponsor may schedule the closings of title to other units significantly later than such date. Unless the Purchase Agreement contains an outside closing date, the Sponsor is not obligated to schedule the closing within any specified time frame or to ensure that closing of title to a Unit will occur by any date certain.

PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

Risk of loss from fire or other casualty remains with the Sponsor until the purchaser takes actual possession of the unit pursuant to an interim lease or written agreement with the Sponsor, or legal title to the unit has been conveyed to the purchaser, whichever occurs first. A person in possession who is not an owner cannot insure the unit since he or she has no ownership interest, and the unit cannot be doubly insured. A person who takes possession prior to the closing of title to a unit assumes the risk of losses not covered by insurance.

Among the other documents which each purchaser will be required to execute and deliver at Closing is a Unit Power of Attorney to the Board of Managers in the form set forth in Part II of the Plan designating the Board of Managers as his, her, or their attorney-in-fact,

coupled with an interest, for the purpose of managing, selling, mortgaging, leasing, voting, or otherwise dealing with any Units acquired by the Board of Managers in accordance with the Declaration and By-Laws. Failure to deliver the Unit Power of Attorney in favor of the Sponsor and the Condominium Board of Managers shall de a default under the Purchase Agreement. For more details regarding the above, see also Article 18 of the Declaration in Part II of this Plan.

The Purchase Agreement, together with the provisions of this Plan, set forth, in detail, the terms of sale with respect to each Unit, and in connection therewith, both documents should be read carefully by each prospective purchaser. A complete copy of the Purchase Agreement is included in Part II of the Plan. Purchaser(s) may seek to finance the purchase of a Unit. Banks, Savings & Loan Associations and Mortgage Banks routinely make such loans. If a Purchaser seeks to finance his, her, or their purchase they will have to seek their own financing. Sponsor has made no arrangements for financing any Unit in the building. The Purchase Agreement is not contingent on financing.

The terms and provisions of the Purchase Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve a Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective purchaser who executes a Purchase Agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. The Sponsor makes no representation as to the availability or cost of financing. The fact that the Purchase Agreement is not contingent on financing is a **special risk** of this Plan.

From and after the closing of title to each Unit, the purchaser will become obligated for the payment of Common Charges assessed against his, her, or their Unit; real estate taxes and assessments with respect to his, her or their Unit; and all other expenses with respect to his, her or their Unit whether or not he, she or they has taken possession of the Unit and whether or not all work required to be performed by Sponsor or anyone else in or to his, her or their Unit or the building has been completed. See the "Rights and Obligations of the Board of Managers and Unit Owners" Section in Part I of the Plan.

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

In the event that any purchaser wishes work to be performed in the unit not provided for in the Offering Plan, at Sponsor's option, the purchase Agreement may provide for such work and for payment of an agreed upon sum for such work, to be paid at such time as provided for in the Offering Plan. Such work and additional payment shall not require an amendment to the Offering Plan, except that any such work that shall cause a change in the size or number of units and/or their respective percentages of common interest shall require an amendment to the Plan and, when applicable, to the Declaration. No material change will be made in the size or quality of common elements, except by amendment to the Plan, and where when applicable, to the Declaration.

Purchaser shall accept the Unit without abatement of, or credit against, the Purchase Price or any provisions for escrow deposits on the Closing Date, notwithstanding the failure to complete construction for (a) minor details of the Unit or the building, (b) other Units, or (c) minor details of the public areas of the building which do not prevent the purchaser's use of the Unit, provided that a PCO or TCO has been issued for the subject Unit. The Purchaser shall be given a reasonable opportunity to examine the Unit prior to the Closing Date and shall make a careful inspection of the Unit at such time. On the Closing Date Purchaser shall sign and deliver to Purchaser its written agreement to complete all such construction or repair called for by the Offering Plan or the Purchase Agreement within a reasonable period of time.

Sponsor reserves the right but is not obligated to negotiate with purchasers all aspects of the purchase price of unit, including, but not limited to: renovations or improvements to the unit or the fixtures or equipment contained therein or credits or allowances therefore; extension of period to secure financing; maintenance subsidies or rebates as credit against the purchase price or payable on a periodic basis or any other manner, application of interim rent toward purchase price; payment of all or part of purchaser's financing costs such as closing costs, attorney's fees, origination fees, commitment fees; and any and all other costs relating to the cost of acquiring title to the unit.

Neither the plan nor the Purchase Agreement contain nor will either be modified to contain a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law (the "GBL").

In the event a purchaser elects to purchase a unit occupied by another, said purchaser shall be subject to the terms and conditions of any existing lease or tenancy and subject to the rights and obligations set forth in any applicable Rent Laws and such Purchaser (including his, her or their successors and assigns) shall continue to be thus bound as long as such lease and tenancy exist.

The Sponsor shall comply with 13 NYCRR 20.3(o)(3)(iii) and the escrow and trust fund requirements of GBL sections 352-e(2-b) and 352-h and the regulations issued thereunder and all funds paid by purchasers shall be handled in accordance with these statutes and regulations. All deposits, downpayments, or advances made by purchasers prior to closing of each individual transaction, whether received before or after the agreement is signed by all necessary parties, in a segregated special escrow account of Damion M. Sanders, Esq., the Escrow Agent, whose address is 865 President Street, Brooklyn, New York 11215 and whose telephone number is (917) 543-4229. The signature on this account authorized to withdraw funds is: Damion M. Sanders, Esq. an attorney admitted to practice in the State of New York who is not the Sponsor, the Selling Agent, the Managing Agent, or a principal thereof, who submits to the jurisdiction of the State of New York for any cause of action arising out of the escrow provisions set forth in the escrow agreement.

The name of the account is Damion M. Sanders, Esq., Offering Plan Escrows Attorney Trust Account located in the Capital One Bank, 341 Eastern Parkway, Brooklyn, New York 11238. This bank is covered by federal bank deposit insurance ("FDIC") to a maximum of $250,000.00 per individual account. If an individual makes a down payment in excess of $250,000.00 for purchase of a Unit, it is a **special risk** of this offer that such deposit will not be federally insured in excess of $250,000.00. Additionally, the deposit hereunder will be added to any other deposits of the purchaser at Capital One Bank to determine the insurance limit so that all or some of the deposit hereunder may not be federally insured.

Provided that the Purchaser furnishes his, her, or their taxpayer identification number at the time the down payment is tendered, the down payment shall be placed in an interest-bearing account. Any interest earned on the down payment shall be paid or credited to the Purchaser. The interest rate paid by Capital One Bank on December 16, 2019 was at the rate of 1.83% per annum, which rate is subject to periodic change.

All instruments shall be made payable to Damion M. Sanders, Esq., as Escrow Agent to the account Damion M. Sanders, Esq., Offering Plan Escrows Attorney Trust Account.

Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the escrow agent will notify the purchaser that such funds have been deposited into the escrow account and will provide the account and will provide the account number and the initial interest rate. If Purchaser does not receive such notice within fifteen (15) business days after the tender of the deposit, the Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within ninety (90) days after the tender of the deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely mailed to the purchaser or subscriber in conformity with the Attorney General's regulations. The Department of Law address is 28 Liberty Street, New York, NY 10005.

In the event Sponsor elects to transfer funds or create a new escrow account, or if the escrow agent is replaced, the plan will be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as provided herein. A bond, letter of credit, or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security. The Department of Law address is 28 Liberty Street, New York, NY 10005.

Since all contracts are contingent upon the plan's becoming effective, under no circumstances shall Sponsor apply for release of escrow funds of a defaulting Purchaser until after consummation of the plan. Consummation of the plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

The escrow agent will hold funds until otherwise directed:

a) pursuant to terms and conditions set forth in the escrow agreement upon closing of title to the Unit; or

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

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

If the escrowed funds are not released pursuant to subparagraph (b) of this paragraph, and the escrow agent receives a request by either party to release the funds, the escrow agent must give both parties prior written notice of not fewer than thirty (30) days before releasing said funds. If the escrow agent has not received notice of objection to the release of the funds at the expiration of the thirty (30) day period, the funds 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 escrowed funds within said 30-day period, the escrow agent shall continue to hold said funds until otherwise directed pursuant to subparagraph (b) of this paragraph. However, the escrow agent shall also have the right at any time to deposit the funds contained in the escrow account with the clerk of a court in the county in which the unit is located and shall give written notice to both parties of such deposit.

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

i) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan;

ii) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

Part II of this Offering Plan includes the Attorney General Model Form Escrow Agreement that incorporates the terms of the Attorney General's regulations and is intended for use as the Escrow Agreement for the Purchase Agreement and this Plan.

The escrow agent will maintain all records concerning the escrow account for seven (7) years after the release of funds.

Any provision of any agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligations of the escrow agent holding trust funds is absolutely void. The provisions of the section of the regulations dealing with trust funds shall prevail over any conflicting or inconsistent provisions in the offering plan or in a purchase agreement.

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) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchaser Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchaser Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to two (2) years' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall 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 the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Board of Managers 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 Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Board of Managers the amount so applied or retained so that such Board of Managers has the full amount of said security on hand at all times.

The Purchase Agreement contains a prohibition against advertising. For so long as Sponsor owns an Unsold Unit, Purchaser is prohibited under the terms and conditions of this Agreement for a period of twelve (12) months from the First Closing (including

without limitation the time period between the date of this Agreement and the Closing of Title, to the extent applicable) from taking any of the following actions without the Sponsor's written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be a default by Purchaser, entitling the Sponsor to the default remedies set forth in this Agreement. The provisions of this section shall survive Closing of Title. This provision is only applicable during the twelve (12) month period following the First Closing and shall not apply to any Purchasers who close title to a Unit after the twelve (12) month period following the First Closing has elapsed. The prohibition against advertising in the Purchase Agreement is a **special risk** of this offering plan.

The Purchase Agreement contains a provision that states that the Purchaser is responsible for paying any costs incurred in connection with defending the Purchase Agreement. The Purchaser shall be obligated to reimburse Seller for any legal fees and disbursements incurred by Seller in defending Seller's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in cancelling this Agreement or otherwise enforcing Purchaser's obligations hereunder, provided Seller is deemed the prevailing party in any such dispute or action.

Pursuant to the Geographic Targeting Order ("GTO") issued by the Financial Crimes Enforcement Network ("FinCEN") title companies in the United States of America are required to report to FinCEN the personal identity of purchasers in any residential real estate transactions in this Plan in which:

(1) the purchaser is a legal entity as defined in the GTO;

(2) the purchaser purchases residential real property located in the Boroughs of Bronx, Brooklyn, Queens, Manhattan, and Staten Island;

(3) the total purchase price is $300,000.00 or more;

(4) such purchase is made without a bank loan or other similar form of external financing; and

(5) the purchase is made, at least in part, by using currency or a cashier's check, a certified check, a traveler's check, a personal check, a business check, a money order in any form, a funds transfer, or virtual currency.

Under applicable Federal and local law, lead-based paint can no longer be used in the construction of a building. Under Federal Law, the Sponsor must provide Purchasers with all available records and materials pertaining to lead-based paint and/or lead-based hazards in the Building. The Sponsor will comply with applicable Law concerning the use of lead-based paint and/or lead-based paint hazards. A copy of the booklet issued by

the United States Environmental Protection Agency (EPA), which details certain information regarding lead-based paint must be provided at any closing or final transaction. In accordance with the terms of the rider that must be annexed to the Purchase Agreement, Purchasers have the right to inspect their Residential Units for the presence of lead-based paint. While Sponsor has, to the best of its knowledge, received no specific reports regarding lead-based paint in the Building, given the age of the Building and the widespread use of lead-based paint in preceding decades, it can be assumed that there is lead-based paint present in the Building. In addition, there are remnants of paint on the walls of the original building. Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with applicable Law at their sole cost and expense. (See the Section of Part I of the Plan entitled "Sponsor's Statement of Building Condition" and the Section of the Plan entitled Purchaser Agreement set forth in Part II of the Plan for further details).

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, down payments, advances and payments made by Purchasers prior to the Closing ("Premium Payments") will be held in escrow in conformity with the disclosure contained in this section of the Plan and in accordance with the escrow provisions provided in the Attorney General of the State of New York Model Form Escrow Agreement which is included for use and reference in Part II of the Plan.

Sponsor will comply with the escrow and trust fund requirements of General Business Law section 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligations of Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in the escrow agreement or Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds. However, notwithstanding anything to the contrary set forth herein or anywhere else in the Plan, in the Event of Default by Purchaser, as that term is defined in the Purchase Agreement, Purchaser shall be obligated to reimburse the Sponsor for any legal fees, expenses, and disbursements incurred by Sponsor in defending Sponsor's rights under the Purchase Agreement or otherwise enforcing Purchaser's obligations thereunder.

All Premium Payments made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Damion M. Sanders, Esq., the escrow agent ("Escrow Agent"), whose address is 865 President Street, Brooklyn, New York 11215 and whose telephone number is (917) 543-4229. As of the filing date of this plan the only signatory to the account is Damion M. Sanders, Esquire. Attorney Sanders is licensed to practice law in the State of New York and is not the Sponsor of the Plan and does not have any beneficial interest in the Sponsor or the foregoing.

Escrow Agent has established an escrow account entitled "Damion M. Sanders, Esq., Offering Plan Escrows Attorney Trust Account" ("Escrow Account") at Capital One Bank located at 241 Eastern Parkway, Brooklyn, New York 11238.

All instruments to be deposited into the Escrow Account shall be made payable to the order of "Damion M. Sanders, Esq., as Escrow Agent" or wired directly to the Escrow Account, as applicable, and shall be accepted subject to collection. Endorsed instruments

will not be accepted. All checks must be drawn on or issued by a bank or trust company, which is a member of the New York Clearinghouse Association. A return of any check delivered in payment of the Initial Premium Payment, for insufficient funds or for any other reason, shall constitute a non-curable default under the Purchase Agreement, rendering the Purchase Agreement void *ab initio* and of no further force and effect, in which event Purchaser and Sponsor shall each be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan and the Unit may be sold to another as though the Purchase Agreement has never been made. A return of the any check delivered in payment of the Additional Premium Payment, for insufficient funds or for any other reason, shall constitute a default under the Purchase Agreement, entitling Sponsor, at its option, to exercise the remedies provided under the Purchase Agreement. The Purchaser shall be responsible for paying fees for wire transferring funds, and any wiring fees charged by the initiating bank and/or the receiving bank shall be paid by the Purchaser.

Premium payments properly delivered to the Escrow Agent will be placed in the Escrow Account within five (5) business days after delivery by Purchaser to the Sponsor or Selling Agent. Escrow Agent shall execute the Purchase Agreement Escrow Rider with respect to its obligations in this section.

The account shall be interest bearing. The interest rate to be earned will be the prevailing rate for these accounts. As of December 16, 2019 the interest rate for the Escrow Bank Account is 1.83%. The interest rate is subject to change by the Escrow Bank. Sponsor makes no guarantee of, and shall have no liability to Purchaser for changes to, the interest rate. Interest will begin to accrue within: (x) 3 business days of the Premium Payment is cash or cash equivalent, or (y) 5 business days if the Premium Payment is other than cash or cash equivalent, of the deposit of the Premium Payment into the Escrow Account, as determined by when the Premium Payment clears.

Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) on the standard forms set forth in Part II of the Plan, to Sponsor or Selling Agent at the time Purchaser delivers the Initial Premium Payment and the Purchase Agreement. If a Premium Payment is accompanied by a completed. The Escrow Account is not an IOLA account.

Escrow Agent shall maintain the Escrow Account under its direct supervision and control. A fiduciary relationship shall exist between Escrow Agent, and Purchaser, and as set forth in the Escrow Agreement Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352(e)(2-b) and 352(h).

Under the current Law, the Escrow Account is insured by the Federal Deposit Insurance Corporation ("FDIC") to a maximum of $250,000.00 per individual Premium Payment. The following are **special risks** of this offering: i) if a Purchaser makes a Premium Payment in excess of $250,000.00 such Premium Payment will not be FDIC insured in

excess of $250,000.00. No representation is made with respect to any further changes in Law which may increase or decrease such limit.

All Premium Payments delivered subsequent to the Initial Premium Payment, including, without limitation, the Additional Premium Payment, may be delivered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. A Premium Payment shall be deemed delivered by Purchaser on the date the Sponsor or Selling Agent actually receives the Premium Payment.

Acceptance of any Premium Payment by Sponsor or Selling Agent, and any deposit thereof by Escrow Agent into escrow, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to the Purchaser in accordance with the terms of the Plan.

If a Purchaser delivers a Premium Payment without an executed Purchase Agreement, Sponsor shall have the right to reject the Premium Payment and return it to Purchaser: (i) within five business days after delivery, if the Premium Payment has not been deposited into escrow, and (ii) within 10 business days, if the Premium Payment has been deposited into escrow and the Purchase Agreement has not yet been delivered by the Purchaser.

Sponsor or its agents, including selling agents, shall deliver to Escrow Agent all Premium Payments within two (2) business days of delivery of such Premium Payments by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary and statutory obligations pursuant to General Business Law section 353-h.

Escrow Agent shall release the Premium Payments if so directed:

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

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

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

If the Premium Payments are not released pursuant to this paragraph and Escrow Agent receives a request by Sponsor or Purchaser to release the Premium Payments, Escrow Agent shall give both parties prior written notice of not fewer than thirty (30) days before releasing the Premium Payments. If Escrow Agent has not received notice of objection to the release of the Premium Payments at the expiration of the thirty (30) day period, the Premium Payments shall be released and Escrow Agent shall provide further written notice to the parties informing them of the release of the Premium Payments. If the Escrow Agent receives a written notice from either party objecting to the release of the Premium Payments within the thirty (30) day period set forth in the notice, Escrow Agent

shall continue to hold the Premium Payments until otherwise directed pursuant to subsections i) through iii) of this paragraph. However, Escrow Agent shall also have the right at any time to deposit the Premium Payments with the Clerk of the Court in the County in which the Unit is located and shall give written notice to both parties of such deposit.

Sponsor will not object to the release of Premium Payments to:

i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan,

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

The Purchase Agreement provides that the Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Premium Payment to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Premium Payments.

Escrow Agent is acting merely as a stakeholder. Upon the release of any Premium Payments pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to such Premium Payments.

Set forth in Part II of the Plan is a copy of the form of Escrow Agreement between the Sponsor and the Escrow Agent, which incorporates the terms of the Attorney General's regulations. Purchaser's execution of the Purchase Agreement shall be deemed to constitute Purchaser's acceptance of the terms of the escrow provisions set forth herein and the escrow agreement set forth in the Plan. Escrow Agent shall be a signatory to the Purchase Agreement solely with respect to the Escrow Agent's obligations a set forth herein and the escrow agreement set forth in Part II of the Plan.

The Escrow Agent shall be permitted to act as Counsel to the Sponsor in any dispute as to the disbursement of any Premium Payments or any other dispute between the Sponsor and a Purchaser whether or not Escrow Agent is in possession of such Premium Payments and continues to act as Escrow Agent.

Escrow Agent may rely upon any document which may be submitted to it in connection with its duties under this Section 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.

Sponsor has agreed to compensate the Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Premium Payments nor deducted from the Premium Payments by any financial institution under any circumstance.

Escrow Agent submits to the jurisdiction of the State of New York in the County of Kings and its courts for any cause of action arising out of his obligations with respect to this section or otherwise concerning the maintenance of or release of the Premium Payments from escrow.

Escrow Agent will maintain all records concerning the Escrow Accounts for seven (7) years after the release of the Premium Payments.

ASSIGNMENT OF PURCHASE AGREEMENTS

The Sponsor will not permit the assignment of Purchase Agreements by tenants, if any, prior to the date the Offering Plan is declared effective. As to the assignment of Purchase Agreements by non-tenants at any time, or the assignment of Purchase Agreements by tenants after the Offering Plan is declared effective, such Purchase Agreements may not be assigned without obtaining the prior written consent of the Sponsor, which consent shall be at the sole discretion of the Sponsor. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of the Sponsor. Sponsor's consent to an assignment requested by one Purchaser will not give rise to a claim for consent by any other Purchaser. Sponsor's refusal to consent to an assignment will not entitle purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of a Purchase Agreement in which Purchaser will receive consideration. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion, or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay a fee to the Sponsor's attorneys of $800.00, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this section shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the section entitled "Procedure to Purchase", and shall be voidable at the option of Sponsor.

Notwithstanding anything to the contrary contained above, if the Purchaser has signed the Purchase Agreement in an individual name (and not in the name of an entity), then Purchaser shall have a one time right to assign Purchaser's rights under the Purchase Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that: (i) Purchaser designates such assignee at least ten (10) days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's counsel a fee in the amount of $800.00 for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing will not be delayed as a result of such assignment; (iv) the assignee of the Purchase Agreement assumes, in writing, by an instrument prepared by Sponsor's counsel, the obligations of Purchaser under the Purchase Agreement; (v) the assignment is made without consideration. As used in this paragraph, the term "control" shall mean the control, either directly or indirectly, or at least fifty one (51%) percent of the voting shares or equity interest of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Any obligations of Purchaser may be performed by performance of such assignee, and Sponsor agrees to accept such performance as if it were the performance of Purchaser.

No such assignment shall modify Purchaser's obligations under the Purchase Agreement, including without limitation, Purchaser's indemnity obligations contained in the Purchase Agreement or reduce limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this paragraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

Any assignment in contravention of this provision shall be deemed a default of the Purchase Agreement and may put Purchaser's down payment at risk.

EFFECTIVE DATE

The Sponsor's offer to sell is contingent upon the Plan being declared effective and in compliance and accordance with relevant conditions and time periods described in the Offering Plan. The First Closing will not occur until the Plan has been declared effective.

The plan may not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least fifteen (15%) of the Units offered in the Plan. The licenses pertaining to the ancillary amenities are not counted towards the effectiveness of the Plan and are excluded from the base in calculating the percentage needed to become effective.

This Plan shall be declared effective by personal of a notice to each Purchaser stating the date the Plan is declared effective, the percentage used to declare the plan effective, and listing the Units counted to meet the minimum percentage required to declare the Plan effective. A Closing may occur without the Sponsor's submitting an Amendment to the Plan to the Department of Law to declare the Plan effective, however the Sponsor is required to comply with the law when submitting a Post-Closing Amendment.

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) assigned or transferred without compliance with the provisions set forth in the Assignment of Purchase Agreements section of the Plan; or (iii) if the Purchaser has not had fewer than three (3) business days to review the offering plan and filed amendments prior to executing a Purchase Agreement unless fewer than three (3) business days remain in the statutory time period to declare the plan effective; or (iv) 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, 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 sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is a bona fide Purchaser who represents that he, she, or they or one or more members of his, her, or their immediate families intend to occupy the unit when it becomes vacant.

The Plan must be declared effective when Purchase Agreements are accepted for the sale of eighty (80%) percent of the Units offered under the Plan. The sale of all of the

residential units in the offering is required for the Sponsor to meet the eighty (80%) percent threshold described hereinabove.

The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Units offered for sale. The sale of any one (1) residential unit in the offering will be sufficient for the Sponsor to meet the fifteen (15%) percent threshold described hereinabove. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Units offered for sale. The sale of all of the residential units in the offering is required for the Sponsor to meet the eighty (80%) percent threshold described herein.

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

The Plan may be abandoned by Sponsor, at its sole and unrestricted option, before it is declared effective. In the event the Sponsor abandons the Plan, it will within twenty (20) days after the abandonment, refund to all purchasers all monies paid by them in full, with interest, if any. In the event the Plan is abandoned the will file an amendment so stating and will also file an RS-3 with the Department of Law. Upon such abandonment, any rights any tenant, purchaser or any other party may have pursuant to this Plan or a Purchase Agreement shall cease and become null and void.

Once the Plan has been declared effective or eighty (80%) percent of the Units are sold, the Plan may not be abandoned except for: (i) a defect in title (including, without limitation, violations of record), affecting one or more Units and/or Common Elements, which cannot be removed, cured or complied without litigation or cannot be cured for an amount which shall not be less than one-half of one percent of the total offering amount, or (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for an amount which shall not be less than one-half of one percent of the total offering amount, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any amount relied upon as basis for abandonment after the plan has been declared effective excludes any attorneys' fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

Should the Sponsor decide to abandon the Plan for the above-listed reasons, each purchaser in good standing shall be refunded all the monies deposited thereunder with any interest earned thereon (it is not contemplated that any interest will be earned). Such refund shall be made within twenty (20) days of abandonment of the Plan by the Sponsor. If the Plan is abandoned and Sponsor has accepted Purchase Agreements, then Sponsor shall file an amendment with the Department of Law abandoning the Plan together with form RS-3. The refund shall be returned within five (5) days after an amendment abandoning the Plan has been accepted for filing. If the Plan is abandoned and the Sponsor has not accepted Purchase Agreements, then Sponsor shall file a form RS-3 with the Department of Law without an amendment, which form RS-3 shall be served simultaneously by Sponsor on all commercial and professional tenants, if any.

There will be no obligation on the part of the Sponsor to incur expenses except as aforesaid or engage in litigation to cure title defects. The Sponsor will not be obligated to remedy any violations caused by the acts or omissions of tenants or other occupants of the building.

TERMS OF SALE

Each Purchaser of a Unit will, at Closing, be given a bargain and sale deed with covenants against grantors acts duly executed and acknowledged in proper recordable form. The form of Unit Deed can be found in Part II of the Plan.

Title to each Unit and its appurtenant interest in the common elements will be conveyed at closing free and clear of all liens, encumbrances, and title exceptions other than those described herein and the proposed Unit Deed also enclosed herein.

The Permitted Encumbrances are the following:

1. Building restrictions, zoning, and other regulations, resolutions, and ordinances and any amendments thereto now hereafter adopted.

2. Any covenants, conditions, easements, leases, agreements or restrictions of record provided the same do not render title unmarketable.

3. Any state of facts shown in the survey of land and building made by Apple Surveying, and any additional state of facts which a subsequent survey or inspection thereof would show provided such additional facts would not prevent use of the premises for dwelling purposes.

4. Any state of facts which an accurate survey and inspection of the apartment unit would show, provided such state of facts would not prevent use of the Unit for dwelling purposes.

5. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all as set forth in the Declaration, the By-Laws, and Rules and Regulations, the Power of Attorney from the purchaser to the Board of Managers ad the Floor Plans; as all of the same may be amended from time to time.

6. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all as set forth in the Declaration, the By-Laws, to be recorded in the Office of the Register, County of Kings provided a title company selected by Sponsor insures against loss or damage occasioned by the premises not being part of a Condominium validly created pursuant to Article 9-B of the Real Property Law as amended.

7. Restrictive Use and Regulations as set forth in the By-Laws of the Condominium Corporation.

8. Power of Attorney as set forth in the purchase agreement from the insured to the members of the Board of Managers of the Condominium and their successors.

9. Consents by Sponsor or any former owner of the land for the erection of any structure or structures on, under or above any street or streets on which the land may abut.

10. Any easement or right of use in favor of any utility company for construction, use, maintenance, repair, and/or replacement of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, and other equipment and facilities on, under, and across the Land and Building.

11. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Board of Managers).

12. Encroachments of stoops, areas, cellar steps, or doors, trim, copings, retaining walls, bay window, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the property or the street or sidewalks or other properties abutting the property and the rights of governmental authorities to require the removal of any such projections and variations between the record lines of the property and retaining walls and the like, if any.

13. Lease and service, maintenance, employment and license agreements, if any.

14. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

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

16. Any other declaration or other instrument affecting the property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning

resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair, or restoration of the building.

17. Standard exceptions contained in the form of fee title insurance policy then issued by Philip O'Hara and Associates, Inc. or such other title company insuring the Purchaser's title to the Unit.

18. Any encumbrances as to which the title company which insures the Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent use of the Unit for dwelling (if unit is residential) professional (if unit is retail) purposes and (c) will not be enforced against the Unit if it is not a lien.

19. Any other encumbrance against the property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

20. Any recorded covenant, restriction, reservation, agreement, assessment or encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

21. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.

22. Any Interim Lease covering the Unit made from Sponsor to the purchaser.

Each purchaser should be aware that the Sponsor will provide and the Unit will contain only the equipment and fixtures, which are contained in the section of the Plan entitled "Description of the Property and Building Condition".

All personal property located within the Unit on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed (other than tools, materials and equipment of Sponsor or Sponsor's contractor) that is owned by the Sponsor is included in the conveyance, unless specifically excepted in the Plan. The Declaration, By-Laws, and Floor Plans for the Condominium and such other

documents required by law will be recorded prior to conveyance of a Unit in the Office in the Register of the Kings County, City and State of New York in accordance with the New York State Condominium Act.

If any existing mortgage shall not be satisfied at or prior to the Closing Date, at the time of conveyance of the first unit, each mortgagee will either: (a) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the condominium unit being conveyed.

The risk of loss or damage to the Unit or the personal property included in this sale, by fire or other casualty, until the earlier of the Closing or possession of the Unit by the Purchaser, is assumed by the Seller, but without any obligation of Seller to repair or replace any such loss or damage unless Seller elects to do so as hereinafter provided. Seller shall notify Purchaser of the occurrence of any such loss or damage to the Unit or the personal property included in this sale within ten (10) days after such occurrence or by the date of Closing, whichever first occurs, and by such notice shall state whether or not Seller elects to repair or restore the Unit and/or the personal property, as the case may be. If the Seller elects to make such repairs and restorations, Seller's notice shall set forth an adjourned date for Closing, which shall be not more than sixty (60) days after the date of the giving of Seller's notice. If Seller either does not elect to do so or, having elected to make such repairs and restorations, fails to complete the same on or before said adjourned date for the Closing, Purchaser shall have the following options:

1. To declare the Purchase Agreement cancelled and of no further force or effect and receive a refund of the downpayment in which event neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of the Purchase Agreement; or

2. To complete the purchase in accordance with the Purchase Agreement without reduction in the Purchase Price, except if Seller carries hazard insurance covering such loss or damage, the Seller shall turn over to Purchaser at the Closing the net proceeds actually collected by Seller under the provisions of the hazard insurance policies to the extent that they are attributable to loss of or damage to any property included in this sale, less any sums theretofore expended by Seller in repairing or replacing such loss or damage or in collecting such proceeds; and Seller shall assign (without recourse to Seller) Seller's right to receive any additional insurance proceeds which are attributable to the loss of or damage to any property included in this sale.

If Seller does not elect to make such repairs and restorations, Purchaser may exercise the resulting option under (1) or (2) above only by notice given to Seller within ten (10) days

after receipt of Seller's notice. If Seller elects to make such repairs and restorations and fails to complete the same on or before the adjourned closing date, Purchaser may exercise either of the resulting options within ten (10) days after the adjourned closing date.

In the event of any loss of or damage to the Common Elements which materially and adversely affects access to or use of the Unit, arising after the date of the Purchase Agreement but prior to the Closing, Seller shall notify Purchaser of the occurrence thereof within ten (10) days after such occurrence or by the date of Closing, whichever occurs first, in which event Purchaser shall have the following options:

1. To complete the purchase in accordance with the Purchase Agreement without reduction in the Purchase Price; or

2. To adjourn the Closing until the first to occur of (a) completion of the repair and restoration of the loss or damage to the point that there is no longer a materially adverse effect on the access to or use of the Unit or (b) the 60th day after the date of the giving of Seller's aforesaid notice. In the event Purchaser elects to adjourn the Closing as aforesaid and such loss or damage is not so repaired and restored within sixty (60) days after the date of the giving of the Seller's aforesaid notice, then Purchaser shall have the right to either complete the purchase in accordance with the Purchase Agreement without reduction in the Purchase Price or declare the Purchase Agreement cancelled and of no further force or effect and receive a refund of the downpayment, in which latter event neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of the Purchase Agreement.

In the event of any loss of or damage to the Common Elements which does not materially and adversely affect access to or use of the Unit, Purchaser shall accept title to the Unit in accordance with the Purchase Agreement without abatement of the Purchase Price.

UNIT CLOSING COSTS AND ADJUSTMENTS

As more specifically set forth in the Purchase Agreement, in addition to the Purchaser's legal fees, the Purchaser will pay the following estimated closing costs and expenses at the time of Closing of Title of the purchaser's Unit. Purchasers are advised that the Ancillary Amenities are deemed personal property and accordingly, are not mortgageable, insurable for title insurance purposes, or otherwise subject to the imposition of transfer taxes detailed in this Section. In the event that transfer taxes are imposed on the sale of the Ancillary Amenities, payment of such taxes shall be the obligation of the Purchaser. These estimates are based on current costs and charges, which are subject to change:

a) A non-refundable contribution to the Working Capital Fund of the Condominium in an amount equal to two (2) month's Common Charges with respect to the Unit based on the Condominium budget at the time of Closing. (See "Schedule A" for the estimate of such amounts). The Sponsor and its designees will not make this contribution in connection with its retention of any Unsold Units except as set forth in the sections entitled "Working Capital Fund" and "Reserve Fund".

b) If the Purchaser elects to obtain owner's (fee) title insurance from a title insurance company, the Purchaser will pay the premium thereof, which will vary depending on the Purchase Price of the Unit. Most lenders require purchasers to obtain mortgage title insurance, the cost of which also vary based on the amount of the mortgage. Title insurance charges are set in accordance with the schedule of rates set by the Title Insurance Rate Service Association Inc. (TIRSA) and filed with the New York State Insurance Department. The current rates for title insurance are as follows:

From	To	Owner's Policy	Loan Policy
	$ 35,000.00 or less	$402.00	$344.00
		For each $1,000.00 or part thereof add	
$35,001.00	$50,000.00	6.67	5.55
$50,001.00	$100,00.00	5.43	4.54
$100,001.00	$500,000.00	4.36	3.64
$500,001.00	$1,000,000.00	3.98	3.31
$1,000,001.00	$5,000,000.00	3.66	3.05

If the Purchaser obtains a simultaneously issued fee and mortgage policy the premium for the mortgage policy is calculated at 30% of the regularly scheduled owner's rate set forth above. Lenders frequently require various title insurance endorsements, which may cost an additional approximately $100.00 to $200.00. These quotations have been obtained from Philip O'Hara Associates, Inc., 55 Washington Street, Suite 655, Brooklyn, New York 11201, and telephone (718) 875-7506 as agent for various title insurers. The Sponsor makes no representations regarding insurance or any other charges available from other agents or insurers. Where a mortgage title policy is simultaneously issued, the reduced rates are set by the title company. **Purchasers are free to use a title company of their own choosing without incurring a penalty.**

c) Fees for recording the deed covering the Unit and the Unit Power of Attorney in favor of the Board of Managers. The current recording fee is $47.00 per document plus $5.00 per page plus a charge for filing the New York City Real Property Transfer Tax Return. Title companies frequently add service charges to these amounts. The projected cost for recording a deed for a residential unit is $275.00.

d) Most lending institutions require the borrower to obtain searches of various municipal agencies having jurisdiction of the premises, commonly known as departmental searches. These searches are paid for by the Purchaser. If there is no lending institution the Purchaser may want to obtain such searches. These searches typically cost approximately $350.00 to $400.00).

e) If the purchaser obtains a mortgage loan from a bank, the purchaser will pay a mortgage tax, which is currently 1.80% of the principal amount of the mortgage (not including the 0.25% of the mortgage tax paid by an institutional lender) if under $500,000.00 and 1.925% of the principal amount if the mortgage is $500,000.00 or more less a credit of $30.00 on the first $10,000.00 of indebtedness. If a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, each purchaser electing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable the entire amount being financed. The Sponsor, at Closing, will be reimbursed to the extent of any mortgage tax credit allowed.

f) All legal costs, fees, and expenses charged by the purchaser's attorney and the mortgage lender and its attorney, if any, will be the sole responsibility of each purchaser;

g) The Sponsor is transferring its statutory obligation to pay transfer taxes to the Purchaser. New York Real Property Transfer Taxes will be paid by the purchaser. The rates for residential units are currently 1% of the Consideration paid if $500,000.00 or less and 1.425% if the Consideration paid is more than $500,000.00. When the Purchaser pays the New York City Real Property Transfer Tax or the New York State Real Estate Transfer Tax, the amount of the taxes are added to the Consideration to determine Total Consideration subject to the transfer tax;

h) The Sponsor is transferring its statutory obligation to pay transfer taxes to the Purchaser. The New York State Documentary Stamp taxes (deed stamps) will be paid by the purchaser. The rates for residential units for transfers on or after July 1, 2019 with contracts on or after April 1, 2019 are currently $4.00 per $1,000.00 of the Consideration under $3,000,000.00. If the Consideration is $3,000,000.00 and up the rate is $6.50 per $1,000.00 When the purchaser pays the New York City Real Property Transfer Tax or the New York State Real Estate Transfer Tax, the amount of the taxes are deemed to be additional consideration to determine Total Consideration subject to the transfer tax;

i) If Consideration is $1,000,000.00 to $1,999,999.99 the Purchaser is obligated to pay the New York State Mansion Tax of 1.00% of Consideration. If Consideration is $2,000,000.00 to $2,999,999.99 the Purchaser is obligated to pay the New York State Mansion Tax of 1.25% of Consideration. If Consideration is $3,000,000.00 to $4,999,999.99 the Purchaser is obligated to pay the New York State Mansion Tax of 1.50% of Consideration. The amount of any New York City and New York State Transfer Taxes is added to the Consideration to determine the Mansion Tax.

j) All costs with regard to any mortgage that the purchaser will place on his, her or their Unit.

k) Purchasers will be charged the following closing fees by the attorneys for the Sponsor in connection with the closing of sales of units:

   i. $1,750.00 for preparation of documents.

ii. $150.00 for each closing where the purchaser receives financing from an institution or other lender, for services in connection with coordinating the closing.

iii. $250.00 attendance fee if at the request of purchaser or his, her, or their lender the closing is held other than the space designated by Sponsor's attorney, but in the Borough of Brooklyn. There will be an additional fee charged based on the distance and time if at the request of Purchaser or Purchaser's lender or attorney a closing is held outside the Borough of Brooklyn.

iv. $150.00 if the closing is adjourned by other than the Sponsor or Sponsor's attorney within forty-eight (48) hours of the time said closing has been scheduled, or $250.00 if the Sponsor's attorney or its representative attends the Closing and the Closing is adjourned.

v. $250.00 if a default notice is sent to Purchaser pursuant to the terms of an executed Purchase Agreement.

vi. $800.00 if the Purchase Agreement is permitted to be assigned pursuant to the terms of the Offering Plan for processing the assignment and the documents relating thereto.

vii. $350.00 if the purchaser requests an Interim Lease for the preparation of such document, if granted, payable to the attorneys for the Sponsor, which shall be payable at the execution of such Lease.

viii. There will be an additional fee of $250.00 for the review of a title report from any title insurance company, abstract company or agent requested by Purchaser or Purchaser's lender or attorney.

The closing fees detailed in subparagraph (k) above that are charged by the attorneys for the Sponsor in connection with the closing of sales of units in this Plan presents a **special risk** of this Plan because the closing fees will be charged to Purchasers and the closing fees will be required in addition to the all other closing costs that Purchasers may be charged by lending institutions, banks, attorneys, title companies, and other third parties.

The above closing fees are cumulative to the extent applicable to an individual closing.

l) Purchasers costs and expenses for a typical residential unit purchased at a price of $1,800,000.00 and an institutional mortgage of $1,440,000.00 are as follows:

$8,515.00	Fee and Mortgage Title Insurance
$462.00	Recording Deed and Power of Attorney and Mortgage
$430.00	Departmental Charges
$26,118.00	New York City Real Property Transfer Tax
$7,332.00	New York State Real Property Transfer Tax
$7,332.00	Mansion Tax
$1,750.00	Preparation of documents
$1,986.00	Contributions to Working Capital Fund
See Schedule A	
$1,500.00	Miscellaneous
$53,925.00	TOTAL

The fees, current as of the date hereof, do not include Lenders and Lenders Attorneys' fees as the same differ from Institution to Institution. Nor do they include the fees paid to Purchaser's Attorney. These fees are Sponsor's good faith estimate and the actual charges incurred may be more or less than listed.

ALL QUOTES FOR RECORDING CHARGES, MORTGAGE, TRANSFER AND OTHER TAXES ARE SUBJECT TO CHANGE.

Those purchasers obtaining mortgage loans will be responsible for the payment of all closing costs and expenses in connection therewith in amounts determined by the applicable lender. These costs and expenses will probably include an origination fee ("points"), appraisal fee, fees of lender's counsel, and a fee for mortgage title insurance, as well as other related fees. In addition to the specified costs and expenses, a mortgage on a Unit will probably provide that the Unit Owner deposit monthly with the lender one-twelfth of the estimated annual real estate taxes, water rates, sewer charges, and assessments which are assessed or to be assessed against the Unit, together with one-twelfth of the annual fire and casualty insurance policy premium for the Unit, or other amounts, and at the Closing of Title the purchaser may be required to deposit with the

lender, a multiple of the aggregate one month's real estate taxes, water rates, sewer charges, assessments and insurance premiums, or other amounts so that sufficient funds will be available for the lender to pay real estate taxes, sewer charges, water rates and insurance premiums when due. No representation or warranty is made with respect to the amount of such closing costs and expenses or the availability or cost of mortgage loans from any source.

Common charges assessed during the period in which closing occurs, shall be adjusted as of the day of closing for each Unit. The Board of Managers will fix the amount of such Common Charges to be assessed against each Unit. It is estimated that the Common Charges for the first year of operation of the building will not exceed the amounts for each Unit set forth in "Schedule A" in Part I of the Plan, but such amounts may vary to the extent that the costs of services change and/or to the extent that the Board of Managers decides to provide increased services or discontinue any present services within the framework of the By-Laws (See the "By-Laws" Section in Part II of the Plan).

Real estate taxes for each Unit for the tax year in which title to a Unit closes and the estimated Common Charges for each Unit (as shown in the "Schedule A" Section in Part I of the Plan) for the month in which a closing occurs, will be apportioned between the Sponsor and the purchaser of each Unit as of the Closing Date. In the event that a Unit has not been separately assessed on the Closing Date for the current tax year, the Sponsor will either pay prior to the closing of the first Unit the real estate taxes levied on the parcel for the six (6) months or deposit such sum in escrow in the name of the Board of Managers so that the Board of Managers may pay the real estate taxes when due. The apportionment of real estate taxes with each owner at the closing of their respective unit shall be based upon the projected assessment allocated to said unit for the property and such Unit's percentage interest in the Common Elements as set forth in the "Schedule A" Section in Part I of the Plan. In the event that an escrow is established, the Sponsor will be entitled to a reimbursement from Unit Owners to the extent of the actual assessment.

The following items will be apportioned between the Sponsor and the Board of Managers on behalf of the Unit Owners as of the First Closing of Title to a Unit (hereinafter referred to as the "Adjustment Date"):

1. Water and Sewer Charges;

2. Charges for electricity and other utilities, if any, for the Common Elements;

3. Charges and Receipts in connection with service and maintenance and concession contracts;

4. Wages and payroll expenses, if any;

5. Deposits with utility companies, if any, and fees assignable permits and leases;

6. Cost of building supplies on hand, if any (plus tax); and,

7. Other customary adjustments.

If any of the foregoing items to be apportioned cannot be adjusted as of the Closing Date because they are not fully ascertainable, they shall be apportioned and adjusted on the Closing Date to the extent reasonably possible and the balance as soon thereafter as the undetermined amounts are ascertained.

Any closing adjustments Sponsor owes the Board of Managers will be paid by Sponsor into the Condominium's Working Capital Fund. Any closing adjustments the Board of Managers owes the Sponsor will be paid by the Board of Managers from the Condominium's Working Capital Fund. Common charges may be increased by the Board of Managers to pay the monthly installments due Sponsor.

Except as specifically set forth in the Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Units including, but not limited to, all selling expenses and commissions payable for initial sale of Units pursuant to this Plan, advertising, printing, architects' and engineers' fees, the fees of Sponsor's attorney to draft and submit the Plan, engineering and appraisal costs and governmental filing fees incurred prior or subsequent to the effective date of the Plan in connection with the obligations of the Sponsor.

RIGHTS AND OBLIGATIONS OF SPONSOR

The Sponsor is reserving the unconditional right to rent rather than sell units as they become vacant.

If the Sponsor makes a bulk sale of all or some of its units, the transferee Sponsor is bound by Sponsor's representations regarding its commitment to sell units.

The Sponsor is using its own capital or borrowed capital to complete its obligations under this Plan and has adequate resources to complete the same. Subject to the terms and conditions of the Plan, Sponsor has the following rights and obligations:

1. Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium, whenever such costs or expenses are incurred, and in connection with the preparation of the Offering Plan, and all expenses connected with the initial transfer of Units by Sponsor (including, but not limited to, advertising, and printing costs, architects' fees and the costs of filing the Offering Plan and amendments thereto) and compensation payable to real estate brokers.

2. Sponsor will be obligated to cause each Unit and its said appurtenant interests in the Common Elements to be released from the lien of all mortgages if any, encumbering the same prior to, or simultaneously with, the closing of title to such Unit. Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen, for work performed and fixtures, material and equipment supplied or installed in the construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding or otherwise, promptly after the filing of any such liens.

3. Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials necessary to comply with the requirements of the Plan.

4. In the event that there are any violations of record affecting the building at the time of the first closing of title, Sponsor shall, at its sole expense, cause such violations to be remedied and removed of record. The Sponsor will cause to be cured all violations of record by first closing of title and will deliver dismissal thereof to the Board of Managers within one hundred and eighty (180) days after the first closing. In the event that the aggregate cost of removing such violations exceeds a sum equal to one-

half of one (1%) percent of the offering under this Offering Plan and Sponsor elects not to remove the same, Sponsor shall abandon the Plan and promptly return all down payments, without interest, to the purchasers within ten (10) days, except for purchasers then in default under their respective Purchase Agreements beyond any applicable grace period.

5. The Sponsor gives no warranty as to materials or workmanship that shall survive the transfer of the Units or of the Common Elements. Sponsor, however, shall assign to each Unit's purchaser all warranties applicable to his, her or their unit or any appliance thereof, if any, in Sponsor's possession at the closing for the Unit. All warranties, if any, in Sponsor's possession relating to the building or any facility therein as of the first closing which relate to Common Elements will be assigned to the Condominium at the first closing.

6. Each prospective purchaser may have the building and Units therein inspected by an architect or engineer of his, her or their choosing to determine the quality of materials and workmanship.

7. The Sponsor will pay for the authorized and proper work involved in the construction, establishment and sale of the Condominium and the Units that the Sponsor is obligated to complete under this Plan. Any mechanic liens that are lodged against the property by virtue of work done by the Sponsor or on Sponsor's behalf will be promptly discharged or appropriately bonded.

8. As set forth in this Plan, the Sponsor is guaranteeing payment of all Common Charges and assessments with respect to Unsold Units. Pursuant to the Plan the Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to Unsold Units. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. The Sponsor intends to fund its financial obligations to the Condominium from projected sales or projected rentals of the Units. However the Sponsor owns real property and assets sufficient for the Sponsor to meet its obligations under the Plan in the event that the projected sales or projected rentals are not made. No bond or other security is furnished to secure Sponsor's obligations hereunder, which is a **special risk** of this Plan.

9. In the event of the dissolution or liquidation of the sponsor or the transfer of two (2) or more units or twenty percent (20%) or more of the total number of units in the condominium, whichever is less, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those units under the offering plan, applicable laws or regulations.

10. Notwithstanding any provision to the contrary contained in the Plan or any Purchase Agreement, Sponsor shall not be obligated to correct and will not be liable to any purchaser as a result of (i) any insubstantial variations from the Floor Plans and specifications or the description of the building or a Unit set forth in the Plan or (ii) insubstantial variations from the Floor Plans and specifications or the description of the building or a Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations shall be set forth in the "as built" drawings included in Part II of the Plan in the section entitled "Floor Plans". Any such variation, which is substantial, will be disclosed in a duly filed amendment to the Plan. In addition, Sponsor may not, (i) substitute equipment or materials of lesser quality or design, or (ii) change the size or location of Units, other improvements, or Common Elements if such changes affect the Common Interests or adversely affect the value of any Unit to which title has closed or which a Purchase Agreement has been executed and is in effect, unless in the case of either (i) or (ii) all Purchasers consent thereto in writing to such changes and unless all affected contract vendees are given the right to rescind and receive any deposit or previously made down payment.

11. The Sponsor may only change the Offering Prices set forth in Schedule A by duly filing an Amendment to the Plan whenever a change in price is an across the board increase or decrease affecting one or more units, or is to be advertised, or is a price increase for an individual Purchaser.

12. The Sponsor is not be permitted to make changes 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. 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. Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the common elements.

13. The Sponsor acknowledges that the Housing Merchant Implied Warranty is applicable to this offering and agrees to warrant the materials and workmanship of the offering pursuant to General Business Law Article 36-B. The Housing Merchant Implied Warranty is incorporated by reference into the Purchase Agreement and is included in Part II of the Condominium Offering Plan. To the extent that the Housing Merchant Implied Warranty does not apply to a multi-unit residential structure of six stories the Sponsor has elected to limit the Housing Merchant Implied Warranty

against certain defects otherwise applicable only to a multi-unit residential structure of five stories or less. This limitation is a **special risk** of this Plan. See the section of Part I of the Plan entitled "Special Risks".

14. The Sponsor shall have an obligation to build and complete the Condominium in accordance with the Floor Plans and specifications included in Part II of the Plan. However the Sponsor shall maintain the right to substitute equipment or materials and make modifications of layout or design, provided that Sponsor: i) may not substitute equipment or materials of lesser quality or design; or ii) change the size, change the location of units, limited common elements, or common elements, if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect, unless all owners and contract vendees consent in writing to such change.

15. Sponsor shall keep copies of the Plan, Exhibits attached thereto, and any pertinent documents referred to in the Plan, on file at Sponsor's office for at least six (6) years after the date the Declaration is recorded.

16. Sponsor is obligated to procure, on behalf of the Condominium, initial fire and casualty insurance policies for the property. The extent and limits of such insurance coverage are fully set out in the "Schedule B" Section in Part I of the Plan, and the costs of such procurement shall be apportioned as set forth in the "Working Capital Fund" and "Closing Costs and Adjustments" Sections in Part I of the Plan.

17. The Sponsor will defend any lawsuits or proceedings arising out of Sponsor's acts or omissions and will indemnify the Board of Managers and all Unit Owners, as to any liability that might result therefrom.

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

19. The Sponsor will cause the Board of Managers to maintain the property in substantially the same condition and manner as on the date of presentation until the Sponsor no longer controls the Board of Managers.

20. Unless the Plan is abandoned pursuant to the terms of this offering plan, Sponsor shall repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If a Unit is materially damaged by fire or other casualty prior to closing of said Unit the Purchaser of said Unit may rescind his, her or their

Purchase Agreement and obtain return of their downpayment plus interest earned thereon, if any.

21. Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications 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 facade of the Building and elsewhere on the Common Elements (excluding Terraces and Ancillary Amenities appurtenant to Residential Units) 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 Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. The Sponsor shall have an easement and retain the advertising and signage rights in and to the exposed exterior building walls including more specifically the east facing exterior building wall facing 7th Avenue and visible from 7th Avenue. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owner and/or Permitted Users. Sponsor reserves the right to install additional fireplace flues and mechanical equipment on the roof of the Building. Sponsor's exclusive easement herein shall terminate upon the date that the Sponsor shall cease to own any Unsold Unit in the Condominium.

22. If the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Air and Developmental Rights, which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Air and Developmental Rights that could result from such changes. Neither the Board of Managers nor any Unit Owner (other than Sponsor or Development Rights Owners) shall have any right or interest in any Excess Air and Development Rights. If any Excess Air and Development Rights are transferred to any adjoining premises, the light and air of the Building and views from Units and/or Terraces and/or balconies may be affected. Notwithstanding the foregoing, Excess Air and Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. Any Excess Air and Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell, or otherwise transfer any Excess Development Rights. Excess Development Rights shall inure solely to the benefit of the Sponsor or other Development Rights Owner. Neither the Board of Managers nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights. Neither Sponsor nor any Development Rights Owner may utilize Excess Development Rights to increase the size, height, bulk or density of any portion of the Property.

23. Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy ("PCO") covering the entire building, but with only a temporary certificate of occupancy ("TCO"), and sometimes with several successive temporary certificates of occupancy. Section 301 of the New York State Multiple Dwelling Law and local building codes and rules generally governs certificates of occupancy. Both TCOs and PCOs are issued by the New York City Department of Buildings (the "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 TCOs have an expiration date. A TCO typically expires ninety (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. The Sponsor anticipates that this scenario will occur. Sponsor will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within two (2) years from the date of the issuance of the first TCO. Sponsor does not make any representation that the DOB will issue the PCO within such two (2) year period. Notwithstanding the foregoing, Sponsor is obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such two (2) year period while keeping the TCO current. Unit Owners and the Board of Managers shall be obligated to cooperate with, and refrain from obstructing, Sponsor in these undertakings.
24. Because the first closing may take place prior to the issuance of a PCO Sponsor is required to maintain all deposits and funds in any special escrow account required by General Business Law, section 352-e(2-b) unless the sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the sponsor's engineer, architect or other qualified expert may be released from any special escrow account. Alternatively, sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

    If the offering plan is subject to the provisions of General Business Law, section 352-ee, sponsor is required to maintain all deposits and funds in any special escrow account required by General Business Law, section 352-e(2-b) unless the sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete all alterations and improvements to the public portions and common areas of the building. In such case the sum exceeding the amount so certified by the

sponsor's engineer or architect may be released from any special escrow account. Alternatively, sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the Department of Law.

Furthermore, because Sponsor and the By-Laws of the Condominium may permit Unit Owners to undertake renovations prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor is obligated to procure the PCO.

However, Sponsor or the Board of Managers may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.). See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close the title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of the Plan entitled "Terms of Sale".

The DOB advises purchasers of houses and apartments who close title with only a Temporary Certificate of Occupancy in place to consult with their independent attorneys or engineers for assurance concerning Sponsor's obtaining the Permanent Certificate of Occupancy.

25. The Sponsor shall retain the advertising and signage rights in and to the exposed exterior building walls including more specifically the east facing exterior building wall facing 7th Avenue and visible from 7th Avenue. Sponsor's exclusive easement herein shall terminate upon the date that the Sponsor shall cease to own any Unsold Unit in the Condominium.

    i. The Sponsor and any future owner of the advertising rights shall abide all local ordinances and applicable state and city laws.

ii. The owner of the advertising rights shall obtain all necessary government agency approvals prior to erecting a sign or placing signage.

iii. The Sponsor shall not require or need approval from the Board of Managers to erect signage or post advertising compliant with the local ordinances and state and city laws.

Suits affecting the common elements after the first closing of a Unit pursuant to this offering plan may be maintained by the Board of Managers.

NO UNIT OWNER MAY INDIVIDUALLY MAINTAIN AN ACTION WITH RESPECT TO COMMON ELEMENTS AFTER THE EXPIRATION OF SPONSOR'S CONTROL PERIOD EXCEPT AS TO THE ESCROWING OF CERTAIN FUNDS AND ANY BOND AND/OR LETTER OF CREDIT UTILIZED TO SECURE DOWN PAYMENTS. SPONSOR HAS NOT FURNISHED ANY BOND OR OTHER SECURITY FOR THE PERFORMANCE OF ITS OBLIGATIONS UNDER THE PLAN.

CONTROL BY SPONSOR

As set forth in the By-Laws, the Condominium's affairs will be managed by a Board of Managers. At the time of the first closing there will be three (3) managers designated by the Sponsor.

The Initial Control Period shall be a period of five (5) years after closing of the first unit or whenever the unsold units constitute less than fifty (50%) of the common interests, whichever is sooner.

Within approximately ninety (90) days after the first closing the first annual meeting of the Board of Managers will be convened. During the Initial Control Period the Board of Managers shall consist of three (3) persons. A meeting of the Unit Owners will be held to elect new board members within thirty (30) days of the expiration of the Initial Control Period. From and after that meeting the Board of Managers shall consist of three (3) persons.

Sponsor will not exercise voting control of the Board of Managers for more than five (5) years from the closing of the first unit or whenever the unsold units constitute less than fifty (50%) percent of the common interests, whichever is sooner. After the expiration of the Initial Control Period and at all times thereafter Sponsor may be able to elect members of the Board as a result of its ownership of or interest in the Unsold Units. Sponsor shall have the right to designate members of the Board in relation to the Common Interests attributable to Unsold Units. As long as there is at least one (1) Unsold Unit, the Sponsor or its designee shall be entitled to designate at least one (1) Member of the Board of Managers regardless of the number of Unsold Units and the number of Members of the Board of Managers may not be increased without the consent of Sponsor.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Board of Managers. There is no restriction on the right of the Sponsor to vote for Residential Members of the Board of Managers who are not related to or affiliated with Sponsor.

The Sponsor shall be entitled to appoint one member to the Board of Managers both during and after the expiration of the control period so long as the Sponsor shall have ownership of Unsold Unit(s).

After the Initial Control Period, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

The Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period. However after the expiration of the control period the Sponsor shall only be entitled to appoint one (1) member to the Board of Managers even if the Sponsor may own the Retail Unit and one or more Unsold Residential Units.

The By-Laws provide that for a period ending not more than five (5) years after the closing of the first unit or whenever the unsold units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner, the Board of Managers may not, without Sponsor's prior written consent (i) make any addition, alteration or improvement to the Common Elements unless required by law; (ii) hire any employee in addition to the number of employees referred to in "Schedule B" in Part I of the Plan; or (iii) enter into any service or maintenance contract for work not covered in said Schedule B or (iv) otherwise provide services in excess of those contemplated by such Schedule or elsewhere in the Plan. Nevertheless, the Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. The Sponsor may not exercise veto power and control over the expenses described in Schedule B or over the expenses necessary to take the actions described in this paragraph above.

All members of the Board of Managers shall serve without pay or other compensation. Members of the Board of Managers may be removed without cause.

There is no provision in the By-Laws that a majority of the Board of Managers must be owner-occupants or members of an owner-occupants household who are unrelated to the Sponsor and its principals after the end of the initial control period.

Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this plan.

See the By-Laws Section in Part II of this Plan, for a more complete description of the Board of Managers and its membership.

BOARD OF MANAGERS

As set forth in the By-Laws, the Condominium's affairs will be managed by a Board of Managers. At the time of the first closing there will be three (3) Managers designated by the Sponsor.

The Initial Control Period shall be a period of five (5) years after closing of the first unit or whenever the unsold units constitute less than fifty (50%) percent of the common interests, whichever is sooner.

Within approximately ninety (90) days after the first closing the first annual meeting of the Board of Managers will be convened. The first annual meeting of the Unit Owners will take place within the first year of closing, whether or not Unit Owners are elected board members at said meeting. During the Initial Control Period the Board of Managers shall consist of three (3) persons designated by the Sponsor. A meeting of the Unit Owners will be held to elect new board members within thirty (30) days of the expiration of the Initial Control Period. From and after that meeting the Board of Managers shall consist of three (3) persons.

After the Initial Control Period, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

The Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period. However after the expiration of the control period the Sponsor shall only be entitled to appoint one (1) member to the Board of Managers, even if the Sponsor may own the Retail Unit and one or more Unsold Residential Units.

After the expiration of the Initial Control Period and at all times thereafter the Sponsor may be able to elect members of the Board of Managers as a result of its ownership interest in the Unsold Units. Sponsor shall have the right to designate members of the Board in relation to the Common Interests attributable to Unsold Units. As long as there is at least one Unsold Unit, Sponsor or its designee shall be entitled to designate at least one Member of the Board of Managers regardless of the number of Unsold Units and the number of Members of the Board of Managers may not be increased without the consent of the Sponsor.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Board of Managers. There is no restriction on the right of

the Sponsor to vote for Residential Members of the Board of Managers who are not related to or affiliated with Sponsor.

There is no provision in the By-Laws that a majority of the Board of Managers must be owner-occupants or members of an owner-occupants household who are unrelated to the sponsor and its principals after the end of the initial control period.

Purchasers for their own occupancy may never gain control of the board of managers under the terms of this plan.

The initial Directors will be Peggy Hernandez (Principal of Sponsor) and Bryan Hernandez (Principal of Managing Agent).

Officers and members of the Board of Managers shall serve without compensation.

The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium over which they have jurisdiction. As more fully set forth in the By-Laws, all determinations required to be made by the Board of Managers shall be by majority of the votes cast at any meeting at which a quorum is present. Any dispute among the Board members shall be settled by arbitration in the manner provided in the By-Laws.

A Member of the Board of Managers other than a representative of the Sponsor (or its designee) shall be an owner of a Unit in the Condominium or the representative of a fiduciary or entity if the Unit is owned by a fiduciary or entity.

A Director or Officer may be removed by the Board of Managers with or without cause.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Director of the Condominium or upon written request of any two (2) Directors then holding office, upon notice given to each Director, by delivering personally, mailing or telegraphing the same to him or her at least two (2) days prior to such meeting at the last address furnished by him or her to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine.

The Annual Meeting of the Unit Owners of the Condominium, for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn or Manhattan, City of New York, at such time and place, each year as may be designated by the Board. Special meetings of the Unit Owners, other than those the calling of which is regulated by statute, may be

called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing so to do by Unit Owners owning at least thirty (30%) percent of the Common Interest of the Condominium.

At all meetings, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (his, her or their proxy) entitled to a vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one (1) vote for his, her or their Unit, except that, when voting for the election of members of the Board of Managers, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units): (i) shall be entitled to one vote for each 0.001% of his, her, share of Common Interest attributable to the Unit(s) per member to be elected, and (ii) shall not have the right to cumulate his, her, or their votes in favor of any one (1) or more members to be elected. The principal officers of the Condominium shall be a President, a Secretary and Treasurer.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration or By-Laws. It is intended that the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his, her or their interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the

total liability thereunder as his, her or their interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Generally, subject to certain exceptions concerning, among other things, Sponsor or Unsold Units, and provided that required consents of the Residential Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least sixty-six and two-thirds (66-2/3%) percent in number and in Common Interest of all Unit Owners.

Any Director may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least fifty (50%) percent of the votes of the Condominium, at a Unit Owner's meeting duly called for the purpose; provided, however, that the Director(s) elected by the Owners of "Unsold Units" can be removed only for cause by vote of a majority of the Unit Owners and without cause by the Holders of Unsold Units.

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

Sales and Leases of Units

Any Unit Owner (other than the Sponsor or its Designee) who receives a bona fide offer for the sale of his, her or their Unit together with: (i) the undivided interest of the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration (hereinafter collectively called the "Appurtenant Interests"), or a bona fide offer for a lease of his, her or their Unit (hereinafter called an "Outsider Offer"), which he, she or they intends to accept, shall give notice by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed Purchaser of the Unit, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to first sell such unit, together with the Appurtenant Interests, or to lease such Unit to the Board of Managers, or its designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such outside offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the outside offer to be bona fide in all respects. Within thirty (30) days receipt of such notice, the Board of Managers may elect, by notice given within five (5) days after making such election, and in any event, within said thirty (30) day period, to such Unit Owner, by certified or registered mail, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the outside offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit together with the Appurtenant Interests is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Unit Owners, by deed in the form required by section 339-o of the Real Property Law of the State of New York. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such outside offer.

In the event the Board of Managers or its designee fails to notify the offering Unit Owner of its decision to accept such offer within thirty (30) days after receipt of notice as aforesaid or notify the offering Unit Owner within said period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within thirty (30) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, to the outsider offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such outside offer. Any such deed to any outside offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board of Managers, and that the tenant shall not sublet the premises, or any part thereof, without the prior written consent of the Board of Managers, and that the Board of Managers shall have the power and right, in its sole discretion and its capacity as attorney-in-fact for the Unit Owner, to terminate such lease and/or bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be in a form approved by the Board of Managers.

In the event the offering Unit Owner shall not, within such thirty (30) day period, contract to sell such Unit to the outside offeror on the terms and conditions contained in the outside offer, or if the Unit Owner shall so contract to sell or lease his, her or their Unit within such thirty (30) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to another outside offeror on the same or other terms and conditions, the offering Unit Owner shall be required again to comply with all of the terms and provisions herein and in compliance with of Article VIII Section 1 of the By-Laws.

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

The Board of Managers shall not exercise any option herein above set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners and the unanimous consent of the Sponsor or its designee. The Board of Managers may use the Unit in any manner as long as such use is in conformity with all applicable laws, regulations and provisions and the By-Laws particularly Article VI, Section 12 of the By-Laws.

Subject to the provisions described above requiring the Board of Managers to obtain the consent of unit owners and the consent of the Sponsor or its designee, acquisition of units by the Board of Managers may be made from the working capital and common charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each unit owner in proportion to his/her ownership in the common elements, as a common charge, or the Board of Managers, in their discretion, may borrow money to finance the acquisition of such unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit to be acquired by the Board of Managers.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The restrictions upon the sale and lease of Residential Units shall not apply to Sponsor or its designee with respect to any Unsold Units or the Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure; in such cases they shall be free to sell or lease such Units without first offering to sell or lease to the Board of Managers. Such restrictions shall also not apply to the transfer from one spouse or life partner to another, from parent to child or vice versa, among siblings or from or to a trust, family partnership or other entity solely controlled by the Unit Owner.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers.

Sales of Ancillary Amenity Licenses

Ancillary Amenity Licenses may not be licensed independently of the ownership of a Residential Unit and may be licensed only to another Residential Unit Owner or to a Purchaser who is simultaneously purchasing a Residential Unit. Each Residential Unit Owner will be required to maintain insurance for the Ancillary Amenity in amounts sufficient to cover the property located therein. If the Board of Managers terminates an Ancillary Amenity License or a Residential Unit Owner surrenders an Ancillary Amenity License without assigning the Ancillary Amenity License to another Residential Unit Owner, the Board of Managers shall have the right to issue a new Ancillary Amenity License to another Residential Unit Owner, in its sole discretion.

Upon the issuance of an Ancillary Amenity License to a Residential Unit Owner (by assignment or otherwise), such Ancillary Amenity License shall be assignable as set forth above without the consent of the Board of Managers, provided that written notification of such assignment is delivered to the Board of Managers. Neither Sponsor nor the Board of Managers shall have any obligations or liabilities with respect to private assignments between Unit Owners.

The Condominium will not be entitled to any of the proceeds from the sale of the Ancillary Amenity Licenses, but will have the right to impose license fees and Special Assessments in connection with the Ancillary Amenity Licenses.

Mortgage of Units by Unit Owners

No Residential Unit shall mortgage his, her, or their Unit, except by a first and/or second mortgage made to a bank, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender or a purchase money mortgage made to the Sponsor or its Designee, or to the seller of the Unit. A mortgage may be made to a reputable private lender, other than a lender described above, provided the same is approved in writing by either the Sponsor or its Designee, prior to the Sponsor or its Designee's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor or its Designee or the Board of Managers as the case may be. Prior to or simultaneously with the closing of any mortgage the Unit Owner must satisfy all arrearages for unpaid Common Charges or assessments and discharge and liens therefore.

Common Charges: Determination and Assessment

Common Expenses, which are payable by all Unit Owners and included in their Common Charges, are allocated among the Unit Owners in proportion to the respective Common Interest of all Unit Owners. Common Expenses include, among other things, all costs and expenses in connection with repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, water charges and sewer rents, unless separately assessed to individual Units, insurance premiums, and may include amounts for certain other items as the Board of Managers may deem proper, such as amounts for reserves for capital expenditures of otherwise without limitation or in connection with the purchase or lease by the Board or any Unit.

At least annually, the Board of Managers will prepare a budget for General Common Expenses and allocate and assess such Common Charges among the Unit Owners according to the common interest in the Common Elements. The Board of Managers will furnish copies of the budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of charges payable by them.

Common Charges: Collection and Lien for Non-Payment

No Unit Owner may exempt himself or herself from liability for his, her or its Common Charges by waiving use of any of the Common Elements or by abandonment of his, her or their Unit. No Unit Owner, however, will be liable for payment of any part of the Common Charges assessed against his, her or their Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his, her or their Unit, without consideration, to the Board of Managers, and complying with certain conditions in

connection therewith, exempt himself or herself from Common Charges thereafter accruing.

Under the provisions of section 339-z of the New York Real Property Law and the By-Laws, the Board of Managers, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against each Unit in proportion to the respective Common Interests. Pursuant to the provisions of section 339-aa of the New York Real Property Law, during the Sponsor Control Period, Sponsor shall cause the Board of Managers to file a lien for unpaid Common Charges against any unit owned by sponsor in which sponsor is more than thirty (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 into liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against the Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Board of Managers (acting on behalf of all unit owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover unpaid Common Charges without foreclosing such lien. In addition, the Board of Managers may assess Unit Owners a late charge of $150.00 per month for Common Charges which remain unpaid for more than ten (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" theretofore collected), plus all expenses of collection, including but not limited to attorneys' fees, costs and disbursements.

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

On a resale of a Unit, purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his, her or their acquisition. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. The Board will have the right to access such unpaid balance as a Common Charge among all Unit Owners.

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

Under the provisions of Section 339-z of the Condominium Act and the By-Laws, the Board, on behalf of all Unit Owners, will have a lien on each Unit for its unpaid Common Charges, together with costs and interest thereon assessed against such Unit in proportion to the respective Common Interests. All such liens, however, to the extent permitted by applicable law, will be subordinate to liens for real estate taxes on the Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office and shall continue until all sums secured thereby with interest thereon shall have been fully paid, or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Board of Managers in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board to recover unpaid Common Charges without foreclosing on the lien.

While the sponsor is in control of the Board of Managers the sponsor will cause the Board of Managers to file such lien as provided in Section 339-aa of the Real Property Law on units in which sponsor is more than thirty (30) days in arrears in the payment of common charges.

Pursuant to Section 339-kk of the Real Property Law, all rental payments from the tenant of a Unit being rented by a non-occupying Unit Owner shall be made payable to the Condominium in the event the non-occupying Unit Owner fails to make payments for common charges, assessments or late fees within sixty (60) days of the expiration of any grace period after they are due. The Board of Managers shall provide written notice to the tenant and the non-occupying Unit Owners at all subsequent rental payments are to be payable to the Condominium and delivered to the address listed on the notice. When payments are once again current, notice shall be given to the tenant and non-occupying Unit Owners within three (3) business days and all subsequent rent payments shall be payable to the non-occupying Unit Owner.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Board of Managers. There is no restriction on the right of the Sponsor to vote for Residential Members of the Board of Managers who are not related to or affiliated with Sponsor.

Set forth in Part II of the plan is a copy of section 339–kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice to any tenant occupying a Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees within sixty (60) days after the expiration of any grace period.

Repairs to and Maintenance of Units and Common Elements

Generally, the expense of all painting, decorating, maintenance, repairs and/or replacements required to be made to the Common Elements, whether structural or non-structural will be charged to all Unit Owners as a Common Expense. Generally, the expense of all painting, decorating, maintenance, repairs and/or replacements required to be made to or in any Unit will be the responsibility of the Unit Owner of the affected Unit.

The By-Laws require that each Unit and all portions of the Common Elements be kept in first-class condition (and with respect to any roof or other part of the property exposed to the elements, reasonably free of snow, ice and accumulation of water) by the Unit Owner or the Board of Managers, whichever is responsible for maintenance thereof. In the event that any Unit Owner fails to keep his, her or their Unit in such condition, the Board may, after giving notice and a five (5) day period to remedy such failure, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the “Rights of Access” in this section of the Plan).

The By-Laws further require that those public or other areas of the building exposed to public view which are required to be maintained by each Unit Owner or the Board of

Managers, be kept in good appearance in conformity with the dignity and character of the building by such Unit Owner or Board.

All normal maintenance, repairs and replacements of any limited common element including, but not limited to any terrace, balcony, deck, roof or yard shall be made by the Unit Owner having access to such terrace, balcony, deck, roof or yard at his, her or their own cost and expense, but any structural or extraordinary repairs or replacements to such terrace or balcony (including leaks which are not caused by the negligence of the Unit Owner having access to the same) will be made by the Board of Managers.

Alterations and Improvements of Units and Common Elements

No Residential Unit owner may make any alteration, addition or improvement or repair in or to his, her or their Unit or any roof appurtenant thereto that might affect the structural integrity of the building without the prior written approval of the Board of Managers. This provision does not apply to Sponsor, or its designee or to any lessee of an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board of Managers. This provision does not apply to Sponsor, or its designee or to any lessee of an Unsold Unit.

Generally, all alterations, additions or improvement in or to the Common Elements will be made by the Board of Managers and the cost and expense thereof will be charged to all Unit Owners.

Alterations, Additions, Improvements, or Repairs in and to Units

Subject to the terms of this section, no Residential Unit 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 approval of the Board of Managers. Prior to, and as a condition of, the granting of any such approval, the Board of Managers 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 Board of Managers may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Board of Managers, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including without limitation, the indemnity referred to in this section and the days and hours during which any such work may be done. The Board of Managers shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in the Building or otherwise cause disharmony with any Building service union. Residential Units Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Board of Managers or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit

Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

Notwithstanding anything to the contrary obtained in this section, however, Sponsor shall have the right, pursuant to the terms of the Declaration, without the approval of the Board of Managers, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan, to (i) make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit and (ii) without amendment to the Plan, subdivide and/or change combine any Unsold Residential Unit and/or change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or otherwise change the size and/or number of Unsold Units. In addition, the Retail Unit Owner and its Permitted Users shall have the right, pursuant to the terms of the Declaration, without approval of the Board of Managers, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan, to (i) make alterations, additions, improvements, or repairs in and to the interior portions of the Retail Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in the Retail Unit, and (ii) subdivide and/or combine the Retail Unit and/or change the Retail Unit in size by relocating a boundary wall between the Retail Unit. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Retail Unit Owner, prior to the making of any alteration, addition, improvement or repair in and to their respective Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Board of Managers may reasonably require, (ii) indemnify the Board of Managers and the Managing Agent against any liability arising from the work and (iii) comply with the Law.

All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with the Law. In connection therewith, the Board of Managers shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements or repairs in or to a Unit, provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that of the nature described in the previous paragraph relating to the Sponsor and/or the Retail Unit), the same was approved pursuant to the terms of the first paragraph of this subsection.

Neither the Board of Managers nor any Unit Owner (other than the Unit Owner making any alterations, additions, improvements or repairs, or causing any of the same to be made, in or to the Unit and 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 this section; (ii) to any

contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, additions, improvements, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, additions, improvements, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Board of Managers, if the Board of Managers shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Board of Managers, the Members of the Board of Managers, the officers of the Condominium, the Managing Agent, and all other Unit Owners harmless from and against any such liability, cost and expense.

In addition to the requirements set forth above in this section, until a Permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Common Elements without first notifying the Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

1. such work not include any change that would result in delay in obtaining a TCO or PCO for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;

2. 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;

3. such work not be commenced until the Residential Unit Owner causes all 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 plans, specifications, notices, certifications, permits and licenses to the Sponsor;

4. 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;

5. Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

6. 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;

7. 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connections with the same; and

8. all contractors shall be duly licensed to the extent required by the 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, or the Board of Managers), 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 reasonable requirements of the Sponsor in connection with the alterations, the Sponsor 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 Building 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), whether or not such work shall be in compliance with the plan 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 fifteen (15) days of Sponsor's written demand therefor.

Alterations, Additions, or Improvements to the Common Areas

Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Board of Managers, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Board of Managers, exceed $500,000.00 with respect to the General Common Elements or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions, or improvements shall not be made unless first approval by the Unit Owners, if relating to the General

Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements (including the Sponsor if the Sponsor owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interests or Residential Common Interests, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in the By-Laws, all such alterations, additions, or improvements costing $500,000.00 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the 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 Common Elements is required to (i) comply with the Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) five (5) years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable and to the extent determined by the Board of Managers to be appropriate or relevant: (1) fire insurance, with extended coverage, vandalism and malicious mischief endorsements insuring the Building and Units (but not including furniture, furnishings or other personal property supplied to or installed by Unit Owners), together with all service machinery contained therein (collectively, the "Insured Property"), covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the insured property without deduction for depreciation; (2) machinery insurance; (3) water damage legal liability insurance; (4) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation.

Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interior of their Units and for personal liability coverage for their own benefit at their own expense, provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any other insurance carried by a Unit Owner.

See the "Schedule B" and the "Footnotes to Schedule B" in Part I of the Plan for the details of the insurance coverage.

Use of Units and Common Elements and Ancillary Amenities

Each of the Residential Units may be used only for a private residence, except that a Residential Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such professional office does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. Notwithstanding the aforesaid, no Unit Owner may use his, her, or their Unit so as to interfere with the quiet enjoyment of other Unit Owners of their respective Units. Notwithstanding the foregoing, the Sponsor, or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

Storage Rooms may only be used 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.

The Retail Unit may be used for any legal use permitted by the Plan and the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses, subject to approval by the Board of Managers.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building is damaged or destroyed by fire or other casualty, the Board of Managers will, except as set forth below, arrange for the prompt repair and restoration thereof, excluding each Unit and Unit Owner Property.

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 or restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged by fire or other casualty and if seventy-five (75%) percent or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to

an action for partition instituted by any Unit Owner or 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 in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such 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 priority of such liens. Any action to terminate the legal status of the Condominium after substantial destruction or a Taking shall require written consent (which consent shall not be unreasonably withheld, conditioned, or delayed) of the Permitted Mortgagees representing at least fifty-one (51%) percent of the Common Interests of all Units which are subject to Permitted Mortgages or by a majority of the Mortgage Representatives, if any.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Board of Managers shall be payable to the Board of Managers in the event of a loss amounting to $1,000,000.00 or less. In the event that such proceeds are in excess of $1,000,000.00, such proceeds shall be payable to a New York City bank or trust company designated by the Board of Managers as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the Real Property Law.

Units Acquired by the Board of Managers

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

Liability of Board of Managers and Unit Owners

Every contract made by the Board of Managers or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Board of Managers, Managing Agent or manager thereof shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners. To the extent permitted by Law, the members of the Board of Managers shall have no liability to Unit Owners except that a member of the Board of Managers shall be liable for such member's own bad faith or willful misconduct. The Board of Managers, 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.

Reports to Unit Owners

An annual report of the receipts and expenditures certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners within four (4) months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor or Unsold Units, and provided that required consents of the Residential Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by affirmative vote of at least sixty six and two-thirds (66-2/3%) percent in number and in Common Interest of all Unit Owners.

Sponsor or its Designee may amend the Declaration provided such amendment affects only Units owned by Sponsor or its Designee or Units which are owned or under a Purchase Agreement with another party and has granted Sponsor or its Designee the right to make such amendment.

Mechanic's Lien

Under the provisions of the New York Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the individual 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 or a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or material furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the 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 of Managers or the Managing Agent.

Termination of Condominium

The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment

shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit, in the order of priority of such liens.

Easements

In order to facilitate the operation and maintenance of the building (and particularly Common Elements) and the sale or leasing of Units therein each of the Units will be subject to certain easements, including easements in favor of other Unit Owners, Sponsor and the Board of Managers. These easements, which are more particularly set forth in Article 16 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and generally, an easement of support and necessity in favor of all Units and the Common Elements. These easements shall be exercised in such a manner as will unreasonably interfere with the normal conduct of business of the tenants and occupants of any Unit.

Rights of Access

As more fully set forth in the By-Laws, the Board of Managers and any managing agents, managers, superintendents and other persons authorized by the Board will have the right of access to any Unit under their respective jurisdiction for the purpose, among others, of (a) making inspection of, or removing violations of governmental laws or regulations against, any part of the property, (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the Owner of such Unit, (c) correcting any conditions originating in any Unit and threatening another Unit or any Common Element, or (d) for ingress or egress by all persons in the building in case of fire or other emergency. Each Unit Owner shall be subject to and shall have an assessment in common with all other Unit Owners to inspect, maintain, repair, replace or alter all Common Elements located in any of the other Units or elsewhere on the property.

In the event that the Board of Managers or any Unit Owner fails to maintain or repair parts of the building required to be maintained or repaired by the Board or Unit Owner, or in the event of any breach of the Declaration, the By-Laws or the Rules and Regulations, then, as set forth in the By-Laws, the Board of Managers shall have certain rights to perform such maintenance or repairs or cure such breach.

Sponsor or its Designee and its contractors, subcontractors, agents, and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor or its Designee's obligations hereunder and performing alterations and repairs in or about Unsold Units, provided that requests for entry that are not made on an emergency basis shall be made in advance and that such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time of the emergency or not.

EACH UNIT OWNER MUST STRICTLY COMPLY WITH THE PROVISIONS OF THE DECLARATION, BY-LAWS, THE RULES AND REGULATIONS, AND ANY

OTHER REQUIREMENTS OF THE BOARD OF MANAGERS. THE BY-LAWS, TOGETHER WITH THE RULES AND REGULATIONS, WILL BE RECORDED WITH THE DECLARATION IN THE CITY REGISTER'S OFFICE. SEE BY-LAWS IN PART II OF THE PLAN FOR MORE INFORMATION.

REAL ESTATE TAXES

The following discussion of projected real estate taxes for the First Year of Condominium Operation was prepared by the Sponsor based, in part upon the Real Estate Tax Projection Opinion prepared by Metropolitan Realty Exemptions, Inc., a copy of which is set forth in Part I of the Plan and the tax opinion of The Law Offices of Lindsey Rubel, P.C., which is also included in Part I of the Plan.

Purchasers are required to pay all taxes, including real estate taxes, for their individual unit(s). If at the time of conveyance of title to any Units, the City of New York has not yet designated and separately assessed each Unit, purchasing Unit Owners will be required to pay their relative percentage of the total tax on the building pro rata, as if the same were a common charges until such separate assessments have been accomplished. Such payments will be required to be made to the Board of Managers at least thirty (30) days prior to the time such taxes are due. The projected real estate taxes for the first year of operation contained in the Schedule A are based on an assessment of the Building after the completion of construction. Purchasers should be aware that real estate taxes may increase materially when the Building is reassessed after construction is completed.

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

It is estimated that the aggregate real estate taxes payable with respect to all Units for the First Year of Condominium Operation will be approximately $59,350.00 assuming (a) an assessed valuation for the Property of $477,230.00 for fiscal year 2019/2020, following completion of construction based on the real estate tax liabilities opinion of Metropolitan Realty Exemptions, Inc. dated October 29, 2019 set forth in Part I of the Plan, and (b) estimated tax rates for 2018/2019 of 12.612% for tax class 2 and 10.514% for tax class 4 (i.e. $12.612 per $100.00 of AV, and $10.514 per $100.00 of AV the final tax rates in effect for 2018/2019).

In arriving at the assessed valuation for each Unit in the Condominium, the Building is initially assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation, once the Declaration has been recorded and the Floor Plans are filed with the City Register. No representation is made that the New York City Department of Finance will use any particular method to apportion the assessed valuation that will be allocated to the Units within the Building. At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of real estate taxes assessed against another Unit.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate the same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will the Sponsor, Sponsor's Counsel, Metropolitan Realty Exemptions, Inc., Income Tax Counsel, Real Estate Tax Counsel, or the Selling Agent be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that projected herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future. Please refer to the Section of the Plan entitled "Income Tax Deductions to Residential Owners and Tax Status of the Condominium" for more details.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which shall be substantially as set forth in Part II of the Plan, authorizes the Condominium Board of Managers to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Residential Units, including retaining counsel and taking any other actions which the Condominium Board of Managers deems necessary or appropriate in accordance with Section 2 of Article IV of the Condominium By-Laws.

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of the real estate taxes with respect to the property for the 2018/2019 tax year. Any such proceedings are at the Sponsor's sole cost and expense for the Sponsor's benefit.

INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The Sponsor has been advised by tax counsel, The Law Offices of Lindsay Rubel, P.C., that, subject to certain stated limits and restrictions, each Unit Owner who uses his Unit as his primary or secondary residence will be entitled, under present law, to deduct from his gross income for Federal, New York State and New York City income tax purposes the real estate taxes assessed against his Unit and paid to the taxing authorities and the amount paid by him for interest on any mortgage indebtedness covering his Unit.

The specific limitations on the deductibility of real estate taxes and mortgage interest for individual federal income tax purposes are i) the Purchaser must itemize deductions and ii) the Purchaser's ability to deduct state and local taxes is limited to $10,000.00, or $5,000.00 in the case of a married individual filing a separate income tax return, and iii) Purchaser must use the Residential Unit as a primary residence, and iv) the mortgage proceeds must have used by the Purchaser to purchase the Residential Unit and v) the Purchaser must be an individual.

The tax status of the Condominium is uncertain. The Unit Owners acting through the Board of Managers may be considered an association taxable as a corporation. If the Unit Owners, acting through the Board of Managers, were treated as an association taxable as a corporation, such association would be subject to the Federal corporate income tax and the Common Charge receipts (less deductible expenses) would be deemed to constitute taxable income. However, in the opinion of Sponsor's Counsel it is the Board of Managers' purpose to act as an agent for the various Unit Owners, including non-resident Unit Owners. Accordingly, it would appear that the Board of Managers should not be an association taxable as a corporation.

A copy of the Income Tax Opinion of Lindsay Rubel, Esq. appears in Part I of the Plan at the end of this section.

No warranty or guaranty is made that the United States Treasury Department or the New York State Department of Taxation and Finance or the New York City Director of Finance will allow the aforementioned deductions, and no representation or warranty is made that the tax law or the regulations or rulings issued thereunder, or any judicial interpretation thereof, may not change so as to disallow the deductions in whole or in part. Neither Sponsor nor its attorneys shall be liable if, for any such reason, it is held that the Unit Owners are not entitled to such income tax deductions or to special exemptions as aforesaid.

OPINIONS OF COUNSEL

Law Office of Lindsay Rubel, P.C.
57 7th Avenue 2nd Floor
Brooklyn, NY 11217
Tel: 347-678-5280
Fax: 866-573-2037

November 11, 2019

The Homage on 3rd, LLC
497 3rd Street
Brooklyn, NY 11215

Re: 497 3rd Street

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan of The Homage on 3rd Street Condominium (the "Plan"), which is expected to commence in June, 2020, you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate 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 Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each 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.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by 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 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, residential 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 or substantially improving a Residential Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return. 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 estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, (1) provided that he itemizes his deductions, and (2) subject to the $10,000, or $5,000 in the case of a married individual filing a separate return, limitation on the deductibility of state and local taxes.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. However, New York State income tax law does not conform to Federal tax law in all instances. The provisions of Code Section 163(h)(3)(F) which reduce the limit on qualifying home acquisition indebtedness incurred after December 15, 2017, from $1,000,000 to $750,000 (or from $500,000 to $375,000 for married filing separately), and which prohibit the deduction of interest on home equity indebtedness, do not apply for New York State tax purposes. New York State taxpayers may deduct home mortgage interest on the first $1,000,000 ($500,000 if married filing separately) of mortgage debt that qualifies as acquisition indebtedness or home equity indebtedness for qualified residences, even if such debt was incurred after December 15, 2017. However, within the $1,000,000 cap, the amount of mortgage debt qualifying as home equity indebtedness shall not exceed $100,000 ($50,000 if married filing separately). Likewise, New York State tax law does institute any cap on the deductibility of state and local real estate taxes. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 497 3rd Street 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 federal income tax purposes. In order for the Association to qualify as an exempt organization for 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 (I), above, with respect to a condominium project substantially all the 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 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 Units within the project is used by individuals for residential purposes. 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 Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is

occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under IRC Sec. 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will 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, 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.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. 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 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 Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[i]

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 Units. We express no views as to any 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 Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a 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, special 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.

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS 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 UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely Yours,

Law Office of Lindsay Rubel, P.C.

[i] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

METROPOLITAN
Realty Exemptions

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October 29, 2019

The Homage on 3rd, LLC
497 3rd Street
Brooklyn, NY 11215

RE: 497 3 Street
Brooklyn, NY
Block & Lot: 1021 - 9

Letter of Opinion regarding proposed real estate tax liabilities for the project located at 497 3 Street, Brooklyn, NY

Project Details: 4 Residential Condominium Units and 1 Commercial Units

To Whom It May Concern;

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, to be included in the Condominium Offering Plan.

In order to prepare this letter and the opinion set forth herein, you have supplied us with the following information upon which we have relied:

1. The subject property is located at 497 3 Street, Brooklyn, NY, and is known as Block 1021, Lot 9 with the New York City Department of Finance ("DOF").

2. The proposed is to construct four (4) residential condo units and one (1) commercial unit.

3. According to the information provided to our firm, the approximate gross square footage of the entire building will be 5,936 SF.

4. The commercial portion will consist of 470 SF and the residential portion will consist of 5,466 SF.

5. There will be separate condominium tax lots filed with the DOF for each residential and commercial unit.

6. Based on assessment guidelines, the DOF Surveyor's Office shall class the condominium units as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

7. The commercial space will be classed as a tax class four (4) and the assessed value will be levied at 45% of the market value too.

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

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

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

Proposed Real Estate Tax Liabilities
We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) comparable condominium projects in the neighborhood which have been newly constructed; (c) market conditions in the general area; (e) proposed estimate of the cost of construction; (f) calculation of the gross floor area mentioned above.

Considering the aforementioned, we are estimating that the DOF will set the assessed value of the residential space at approximately $80 per square foot, and set the assessed value of the commercial space at approximately $85 per square foot.

Accordingly, the total assessed value of the property (i.e., the aggregate assessment of the both commercial and residential portions) is estimated to be $477,230, following completion of construction.

Assuming the 2018/2019 tax rates of 12.612% for tax class 2 and 10.514% for tax class 4 (i.e., $12.612 per $100 of AV, and $10.514 per $100 of AV the final 2018/2019 tax rates), the projected tax liability will be as follows:

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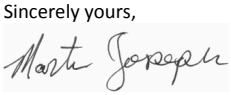
Residential Tax Liability	
Assessed Value	$437,280
Tax Liability	$55,150
Commercial Tax Liability	
Assessed Value	$39,950
Tax Liability	$4,200

The real property tax liabilities will be divided based on the percentages of common interest for each condominium unit.

Though the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.

Although we believe our opinions are well-founded, they are not intended, and should not be construed as warranties or guaranties or representations as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures or projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater that that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

FINANCING

Availability of Financing from Institutional Lenders:

Generally, savings and commercial banks, as well as savings and loan associations, are authorized to finance and grant mortgages on Condominium Units. Some of these institutions have advertised that they are making this type of loan.

The Sponsor is not obligated to obtain financing on behalf of any purchaser and is not acting as agent for any lender, which may extend financing for the purchase of any unit. Consequently, each person who desires to obtain a mortgage to purchase a Unit is solely responsible for obtaining a commitment for such financing in his, her or their favor from the lender of his, her or their choice. Accordingly, purchasers should inquire about the availability, terms, cost, and purchaser's eligibility for such financing before signing and returning the Purchase Agreement.

Each institution has its own lending policies and credit requirements.

Each purchaser should expect to pay his, her or their attorney a legal fee and, if he, she or they obtains financing, any charges imposed by purchaser's lending institution, including but not limited to an application fee, origination fee ("points") and lending institution's attorney's fee. As these charges vary from lending institution to lending institution and change from time to time, purchaser is advised to consult with the lending institution of his, her or their choice as to current charges.

Purchasers should note that many lenders have minimum sales requirements and the Condominium's failure to satisfy such requirements will affect Purchasers' ability to obtain financing at such time as the Unit Owner sells his, her or their Unit.

The terms and provisions of the Purchase Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve a Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment. See Paragraph 23 of the "Purchase Agreement" in Part II of the Plan for further details.

Persons who may be interested in obtaining financing should communicate directly with the lender of their preference.

NO REPRESENTATION OR WARRANTY IS MADE THAT INSTITUTIONAL FINANCING WILL BE AVAILABLE TO ANYONE WHO PURCHASES A UNIT UNDER THE PLAN OR AS TO THE TERMS, COSTS AND CONDITIONS UPON WHICH SUCH FINANCING MAY BE GRANTED OR THE COST TO OBTAIN THE SAME.

RESERVE FUND

The Sponsor will not contribute to the reserve fund or the working capital fund for capital replacements or repairs. The lack of a contribution to the reserve fund by the Sponsor is a **special risk** of the Plan may have a negative impact on prospective purchasers' ability to obtain mortgage financing. Upon completion of the work being performed by or on behalf of Sponsor as described herein, the Building will constitute new construction. Accordingly, no reserve fund will be established by Sponsor for the Condominium for the purposes of necessary repairs or capital items and the Sponsor has not established a reserve fund for capital replacements or repairs. The reserve fund shall be used only for capital expenditures. The Condominium By-Laws contain a provision authorizing the establishment of the reserve fund. See the section of the Plan entitled "Condominium By-Laws" at Article VI, Section 1. Sponsor does not anticipate the imminent need for capital repairs, replacements, or improvements. However no representation is given that such needs will not arise in the future. A reserve fund has been established for the Condominium in the Schedule B in Part I for the projected First Year of Operation of the Condominium for use by the Board of Managers, which in general has principal responsibility for repairing and maintaining the Common Elements (such as the roofs, central fire alarm and security systems, and various mechanical and electrical systems). Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available.

The Board of Managers, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to continue such reserve or create a separate reserve fund by special assessment or by increases in Common Charges.

A Working Capital Fund will be established through payments made therefore by each Purchaser at Closing to be held or used for working capital and for such other appropriate purposes as the Board of Managers may determine. Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the Working Capital Fund. (See the Sections entitled "Working Capital Fund" and "Reserve Fund" and "Special Risks" and Part I of the Plan for further discussion.)

No purchaser shall be entitled to rescind his or her Purchase Agreement solely because of the actual amount of the Reserve Fund is less than the estimated amount or because of the method of payment chosen for the Reserve Fund.

No assurance can be given that the Reserve Fund, if any, will be adequate to pay for the replacement of capital items, and if additional monies are required over and above the Reserve Fund, it may be necessary to increase common charges or levy a special

assessment against the owners to finance needed capital expenditures such as renewal or replacement of building components or systems or to remedy major building defects. So long as the Sponsor controls the Board of Managers, the Reserve Fund may not be used to reduce projected common charges as set forth in the Plan. No representation is made, however, that after the Sponsor relinquishes control, the Board of Managers may not decide to use the Reserve Fund for a purpose other than the cost of replacement of capital items. Because the reserve fund may not be sufficient to provide for needed capital expenditures within the first (5) years following the first closing under the plan it is highlighted as a **special risk** of the offering plan. See the section of the Plan entitled "Special Risks" for additional details.

The lack of contribution by the Sponsor to a reserve fund may have a negative impact on prospective purchasers' ability to obtain mortgage financing because banks and other lenders frequently require reserve funds to protect their loans with a lower associated risk of foreclosure.

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THIS OFFERING PLAN SUBJECT TO WORK, IF ANY, WHICH THE SPONSOR IS OBLIGATED TO PERFORM UNDER THIS PLAN. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR THE RESERVE FUND OR THE PHYSICAL CONDITION OF THE BUILDING.

WORKING CAPITAL FUND

The Sponsor will not contribute to the reserve fund or the working capital fund for capital replacements or repairs. Each Purchaser will be required to make a non-refundable contribution at the Closing to the Working Capital Fund in an amount equal to two (2) month's estimated Common Charges for such Purchaser's Unit. See the Section of the Plan entitled "Schedule A" for the estimate of such amounts. The lack of a contribution to the reserve fund by the Sponsor is a **special risk** of the Plan may have a negative impact on prospective purchasers' ability to obtain mortgage financing.

At or subsequent to the First Closing of title, the Sponsor and the Board of Managers will apportion the following items as of midnight of the date preceding said First Closing, to the extent applicable:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and all other payments or obligations relative to the employees of the Condominium, if any;
(2) fees for assignable permits and licenses, if any;
(3) cost of fuel, if any;
(4) charges for electricity for the Common Elements;
(5) payments under service, maintenance, and concession contracts, if any;
(6) water charges and sewer rents (unless separately assessed to Individual Units);
(7) costs of supplies on hand at the Sponsor's cost (plus sales tax);; and
(8) premiums for transferrable insurance policies.
(9) janitorial service fees, if any.
(10) management fees.
(11) deposit(s) with utility companies, if any, and fees for assignable permits and licenses.
(12) other customary closing adjustments.

Adjustments for prepaid expenses between the Sponsor and the Board of Managers may be deducted only from the Working Capital Fund. The Working Capital Fund will be used to pay the net closing adjustments, in favor of Sponsor, at the first closing of title and the balance of such fund may be held for working capital and repairs with respect to Common Elements and for other appropriate purposes as determined by the Board. If the net closing adjustments are a credit in favor of Sponsor to such extent that payment thereof would reduce the Working Capital Fund by more than Two Thousand Five Hundred ($2,500.00) dollars, then payment of such net closing adjustment in excess of Two Thousand Five Hundred ($2,500.00) dollars shall be paid by the Condominium to

the Sponsor in twelve (12) equal monthly installments. If the net closing adjustments are a credit in favor of the Board of Managers, the amount thereof will be added to the Working Capital Fund.

The Board of Managers will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. In addition, within three (3) months following the end of the Initial Control Period the Sponsor shall deliver to the Board of Managers a statement from a member of the Sponsor, certifying in reasonable detail as to any changes in the amount of Working Capital Fund which have occurred since the first closing of title.

While the Sponsor is in control of the Board of Managers, the Working Capital Fund shall not be used to reduce the estimated common charges.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or implement a Special Assessment.

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

MANAGEMENT AGREEMENT

At the first Closing the Sponsor will assign, and the Board of Managers will assume, the Management Agreement for the Condominium between Sponsor and Kaito Management Corp. (the "Managing Agent"), having an office at 291 5th Avenue, Brooklyn, New York 11215 (the "Management Agreement"). Sponsor may, in the alternative, have the Board of Managers enter directly into a contract with the Managing Agent. The relationship between the Managing Agent and the trustee principal of Sponsor is a **special risk** of this plan. A principal of the Managing Agent, Bryan Hernandez, is the son of the trustee principal of the Sponsor.

The Management Agreement will provide for an initial term of one (1) year commencing on the date of the First Closing (the "Commencement Date"). Thereafter the Management Agreement will continue on a month-to-month basis, but may be cancelled by either party without cause, upon not less than thirty (30) day's prior written notice.

The Managing Agent will receive an annual fee in the amount of $6,300.00 per year, payable in equal monthly installments during the initial term of the Management Agreement. The management fee is comparable to the rate for similar services in comparable buildings. In addition, for services rendered to Residential Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease, or otherwise transfer Residential Units and/or obtain necessary waivers of the right of first refusal, (ii) mortgage or refinance an existing mortgage on a Residential Unit and (iii) alter or renovate a Residential Unit, the Managing Agent shall receive a fee from the Residential Unit Owner in such amounts as shall from time to time by the Board of Managers.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges.

(2) causing the Common Elements to be maintained, repaired, and/or altered in the manner deemed advisable or necessary by the Board of Managers.

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements.

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid.

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building.

(6) rendering monthly statement of receipts and disbursements to Sponsor or other designated entity upon request.

(7) maintaining payroll records and filing tax withholding statements for employees.

(8) maintaining accurate sets of books for the Board of Managers.

(9) cooperating with the Board of Managers' accountants in preparing and submitting annually to the Board of Managers an operating budget of the anticipated income and expenses for the ensuing year.

(10) attending annual meetings of the Board of Managers and Unit Owners, and preparing agenda and sending notices related to such meetings.

(11) ensuring that the insurance for the Condominium is obtained and maintained in the amounts deemed advisable by the Board.

(12) processing applications of Unit Owners for permission to alter the Residential Units.

(13) processing applications for waivers of right of first refusal.

(14) generally, doing all things deemed reasonably necessary or desirable by the Board of Managers for the proper management of the Building.

The Managing Agent, at the expense of the Condominium will be insured during the term of the Management Agreement under a fidelity insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers, or employees.

The Management Agreement provides that the Board of Managers shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Board of Managers, unless arising from the gross negligence, bad faith, or willful conduct of the Managing Agent carrying out its duties.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to perform all of the duties and services to be performed by Managing Agent under the Plan, and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above.

The Managing Agent may not assign the Management Agreement without the Board of Manager's prior written consent, which shall not be unreasonably withheld by the Board of Managers.

There are presently no contracts or leases binding on the Condominium.

IDENTITY OF PARTIES

SPONSOR

The Sponsor is THE HOMAGE ON 3RD, LLC, a limited liability company organized under the laws of the State of New York and having an office at 291 5th Avenue, Brooklyn, New York 11215.

The following party is the sole member thereof:

> CARLOS HERNANDEZ TRUST is a duly formed trust with PEGGY HERNANDEZ acting as the sole Trustee and the trust having an address located at 291 5th Avenue, Brooklyn, New York 11215, and neither has been a Sponsor in connection with any cooperative, condominium or planned unit development offerings of real property with the past five (5) years.

Ms. Hernandez is the sole principal of the Sponsor. She was formerly a teacher in the New York City Public School system and is now retired from teaching. Ms. Hernandez has also been a real property owner for many decades having partnered with her husband in realty prior to their retirements.

The Sponsor has the financial resources to enable it to meet all of its obligations with respect to unsold units. The means by which Sponsor will fund its financial obligations to the condominium is rental of units and income from projected sales. If such projected sales are not made, Sponsor will fund its obligations from other income and personal funds.

No Sponsor, Selling Agent or Principal of any Sponsor or Selling Agent affiliate of any of them has any prior felony conviction, prior bankruptcy, injunction or judgment. The Carlos Hernandez Trust and Peggy Hernandez, as trustee, have not acted as a sponsor or selling agent previously. Other than Carlos Hernandez Trust with Peggy Hernandez acting as the trustee the Sponsor has no other individuals or entities who own or control a ten (10%) percent or more equity interest in the Sponsor.

SELLING AGENT

The Selling Agent for the Condominium will be Urban Compass, having an office at 90 5th Avenue, New York, New York 10011. Selling Agent is a licensed real estate broker whose principals have long-standing experience and engagements in the sale of real estate over many years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions, judgments against the Selling Agent, or any principals of Selling Agent that may be material to the Plan.

MANAGING AGENT

The Managing Agent for the Condominium is Kaito Management Corp. having an office at 291 5th Avenue, Brooklyn, New York 11215. The Managing Agent is a licensed real estate brokerage and real property management company, which has been engaged in the management of real estate for many years. The Managing Agent currently provides property management services for many residential properties. At the time of this offering a representative listing of real property managed by the managing agent in the area surrounding the Condominium includes the following buildings: 570 7th Street, Brooklyn, New York (15 units), 531 Vanderbilt Avenue, Brooklyn, NY (18 units), 206 21st Street, Brooklyn, New York (8 units); 489 Atlantic Avenue (9 units), 267-273 1st Street, Brooklyn, New York (10 units).

There have been no felony convictions of the Managing Agent or any of its principals, and no prior convictions, injunctions, judgments against the Managing Agent, or any principals of Managing Agent that may be material to the Plan.

Bryan Hernandez, a principal of the Managing Agent, is the son of Peggy Hernandez. The Managing Agent acts as managing agent for the Sponsor and the trust that is the principal of the Sponsor.

ATTORNEY

Damion M. Sanders, Esq., located at 865 President Street, Brooklyn, New York 11215, is the attorney engaged by the Sponsor in connection with all legal matters pertaining to the conversion of the premises herein to Condominium ownership. Counsel to the Sponsor has not undertaken any responsibility for the business or financial terms of this Plan and makes no representations with respect to this Plan. The Condominium is not represented by any attorneys.

ARCHITECT / ENGINEER

Selim Vural an architect duly registered in the State of New York, whose business address is Studio Vural, c/o Selim Vural, Architect, 247 Water Street, Suite 304, Brooklyn, New York 10013, is the architect that prepared the Description of the Property and Building Condition on behalf of the Sponsor. Except for the fee paid to prepare the description of the property herein, said architect has no financial interest in the property.

UNIT OWNERS

The Board of Managers shall annually deliver to each Unit Owner the following:

1. By April 15 a financial statement of the Condominium prepared by a public accountant or certified public accountant. Such statement shall be certified during the period of Sponsor control;

2. Prior notice of the Annual Unit Owners Meeting; and

3. At least ten (10) days prior to the annual meeting a copy of the proposed annual budget of the Condominium. During the period of Sponsor control the proposed annual budget shall be certified.

DOCUMENTS ON FILE

Copies of this Offering Plan of Condominium Organization and all exhibits or documents referred to herein shall be available for inspection without charge and copying at a reasonable charge by prospective purchasers and by any persons who shall have purchased units offered by this Plan or shall have participated in the offering at the office of Sponsor or Sponsor's attorney, Damion M. Sanders, Esq., 865 President Street, Brooklyn, New York 11215, and shall remain available for a period of six (6) years for such inspection from the date of closing.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of the various documents are qualified in all respects by the contents of such documents.

There are no lawsuits or administrative or other proceedings now pending against the Sponsor, the selling agent, the managing agent, or any of their principals the outcome of which could materially affect the offering, the property, the rights of existing tenants, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered in the plan prior to the date the plan is accepted for filing.

No deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such units prior to the date the plan is accepted for filing.

Under the Condominium Act, a Condominium Unit may be owned by an individual, a corporation, an association, or a trust. However, the Units offered pursuant this Plan if to an individual or natural persons, are only offered to persons over eighteen (18) years of age.

Sponsor represents that the Sponsor and its agent will not discriminate against any person on any basis prohibited by applicable civil rights laws.

In the event any of the material or substantial (as determined by Sponsor) representations and warranties set forth in the Plan shall be untrue or incorrect on the Closing Date or, if Sponsor shall fail to pay or perform any of its foregoing undertakings, then the sole contractual right or remedy of purchasers in good standing under the Plan shall be to rescind their Purchase Agreement and be refunded their entire downpayment, with interest if any. It is not anticipated that any interest will be earned. Such rescission, as to purchasers who first became occupants of the building after the plan was originally presented shall be conditioned on the cancellation of the interim lease and surrender of possession of their units within sixty (60) days after the exercise of such right to cancel. Nevertheless, those purchasers electing to proceed with the purchase of their units will no be entitled to any credit against, abatement in, the purchase price and will have no claim or right of action against Sponsor or the Condominium by reason thereof, except that there shall be no limitation on purchaser's remedies as to any defaulted obligation to be paid or performed by Sponsor subsequent to the Closing Date.

Each Unit Owner shall be required to comply with and abide by the Declaration, the By-Laws and Rules and Regulations of the Condominium, and to pay the Common Charges and expenses to the Board of Managers. Each Unit Owner shall also be required to comply with the Rules and Regulations adopted pursuant to the By-Laws.

As of the date of the first submission of this Plan, neither the Sponsor nor the Selling Agent, nor any representative or agent thereof will have raised funds or made any preliminary offering or binding agreement to or with tenants, sub-tenants or non-resident prospective purchasers with respect to any unit in the building.

To the best of Sponsor's knowledge, the property has not been subject of any prior cooperative or condominium offering.

No person has been authorized to make any statement or representation, which is not expressly contained herein. Information, data, or representation not contained herein, or in the exhibits referred to herein, must not be relied upon. The Plan may not be changed or modified orally.

Any references in this Plan 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 "Certification By Expert On Adequacy of Budget of First Year of Condominium Operation" dated November 12, 2019 and the "Certification By Expert On Adequacy of Common Charges Payable By the Commercial Unit Owner(s)" prepared and certified by Matthew Gelfand of Bedford Management Company ("Bedford MGMT") dated December 11, 2019 and the "Description of the Property and Building Condition" or "Architect's Report" prepared by Selim Vural, Registered Architect, of Studio Vural have been included in this plan with respect thereto and have been made in reliance upon the respective firms preparing the same.

Sponsor agrees to pay such interest on deposit as a court may consider just and proper as part of an order granted pursuant to section 354 of the General Business Law.

If there is substantial Amendment to the Offering Plan that adversely affects the purchasers, Sponsor will grant purchasers a right of rescission for a period of fifteen (15) days after the date of presentation of the Amendment to exercise such right by giving Sponsor written notice thereof by certified mail, return receipt requested, postmarked within such fifteen (15) day period. In the event of any such rescission, Sponsor must return any deposit or downpayment promptly to purchasers who have rescinded within said fifteen (15) day period. This provision shall not limit Sponsor's obligation to comply with provisions in applicable Laws or Regulations that grant tenants broader rights, if any.

RESERVATION OF AIR AND DEVELOPMENTAL RIGHTS

The Sponsor does not anticipate that any Excess Air and Development Rights will remain upon completion of the Building. However, if the applicable provisions of the Zoning Resolution change in the future, such changes may generate transferable Excess Development Rights, which will not be included in the Property and shall be the exclusive property of Sponsor. Sponsor cannot represent the amount of transferable Excess Air and Development Rights that could result from such changes. Neither the Board of Managers nor any Unit Owner (other than Sponsor or Development Rights Owners) shall have any right or interest in any Excess Development Rights. If any Excess Development Rights are transferred to an adjoining premise, the light and air of the Building and views from Units and/or Terraces and/or balconies may be affected. Notwithstanding the foregoing, Excess Development Rights may not be used to expand the size, height, bulk or density of any portion of the Property after the recording of the Declaration. (See Part I of the Plan in the section of the Plan entitled "Rights and Obligations of Sponsor" and see also the "Declaration" in Part II of the Plan for details).

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the Description of the Property and Building Condition set forth in Part II of this Offering Plan. With reference to such material, it consulted with Selim Vural, a registered architect.

The Sponsor represents that it does not know of any material defects or need for major repairs, except as set forth in the "Description of the Property and Building Condition", and that to the best of Sponsor's knowledge, the following description accurately states the condition of the building and its equipment (see "Description of the Property and Building Condition" in Part II of this Offering Plan).

The property is offered in its "as is" condition as of the date of the presentation of this Plan, except as otherwise specifically set forth on this page and in the Description of the Property and Building Condition. Neither the Sponsor nor the Condominium will have any obligation to make repairs or improvements, except as specifically set forth in this Plan. The Sponsor makes no warranties or representations that any portion of the building or any of its systems will continue to operate in its present condition. The Sponsor will, however, maintain and operate the building until the Closing Date in substantially the same manner and condition as on the date of presentation of the Plan, normal "wear and tear" excepted, and will eliminate all known dangerous and hazardous conditions and comply with all work orders from mortgagees.

The number of units in the building and their use shall be the same as the number of units set forth in the building Certificate of Occupancy.

A listing of any posted violations against the premises is attached to the "Description of the Property and Building" or "Architect's Report" found in of Part II of the Offering Plan. The Sponsor represents that these violations, if any, will be removed within a reasonable time after closing.

PART II

THE HOMAGE ON 3RD STREET CONDOMINIUM
497 3RD STREET
BROOKLYN, NEW YORK 11215

PURCHASE AGREEMENT

Date of Agreement: _____

Building Address: _____ Unit:_____

Purchaser(s): _____

Purchaser's Address: _____

Purchaser(s)' Soc. Sec. # _____

Purchaser's Attorney _____

Attorney's Telephone: (bus.) ..... (home) .....

Attorney's Email _____

Purchase Price $_____

Down Payment $_____

Balance $_____

Real Estate Broker(s) $_____

Name(s) and manner in which title will be taken:

Statement of Seller

The Sponsor has promulgated a Plan of Condominium Ownership of The Homage on 3rd Street Condominium ("the Plan") pursuant to which the land with appurtenances, the Residential Units and Retail Unit ("the Units") located in Brooklyn, Kings County, City of New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

Statement of Purchaser

Purchaser acknowledges as follows:

1. THE PURCHASER RECEIVED THE PLAN, AS AMENDED, AT LEAST THREE (3) BUSINESS DAYS BEFORE EXECUTION HEREOF BY PURCHASER AND HEREBY ADOPTS, ACCEPTS AND APPROVES THE PLAN (INCLUDING WITHOUT LIMITATION THE DECLARATION, BY-LAWS, AND THE RULES AND REGULATIONS CONTAINED THEREIN) AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS THEREOF, AS WELL AS ALL AMENDMENTS TO THE PLAN FILED BY THE SPONSOR.

2. OFFERING PLAN READ

As Purchaser I have received and read the Condominium Offering Plan (the "Plan") for The Homage on 3rd Street Condominium (the "Property") dated ( ) and the documents made a part thereof.

3. AGREEMENT TO PURCHASE

I hereby agree to purchase the above-stated unit at the Total Cash Purchase Price above in accordance with the terms of the Plan.

4. CLOSING

If this Purchase Agreement is dated before the Plan is declared effective the Closing shall take place on the Closing Date to be set by the Sponsor which date shall not be less than either (a) thirty (30) days after the contingency period as set forth in paragraph 16 hereof. If this Purchase Agreement is dated after the Plan is declared effective and the Declaration has been recorded, the Closing Date shall be sixty calendar days after the date of this agreement at 10:00AM. The Closing shall take place at the office of the Sponsor or the office of the Sponsor's Attorney. At Closing, Purchaser shall pay Sponsor the Balance due by official bank check drawn on a New York bank to the order of Sponsor, or such other payee as Sponsor may designate – (PLEASE NOTE – NO THIRD PARTY CHECKS WILL BE ACCEPTED) and Sponsor shall deliver to Purchaser the deed to the Unit. Purchaser shall be entitled to one or more adjournments of the Closing Date not exceeding thirty (30) days in the aggregate. TIME SHALL BE OF THE ESSENCE as to such adjourned Closing Date. In the event that the originally scheduled Closing Date set by Sponsor shall be adjourned at the Purchaser's request (or at the request of Purchaser's attorney, lender or representative) as aforesaid, (1) all adjustments shall be made as of the originally scheduled Closing Date and (2) Purchaser shall pay interest on the unpaid balance of the total purchase price, to Sponsor from the originally scheduled Closing Date until the actual Closing at the rate of 10.95% per annum computed on a per diem basis at the rate of 0.03%.

The Selling Agent will give me prompt written notice when the Plan either becomes effective or is abandoned.

I will have the right to inspect my Unit and the Building within twenty-four (24) hours prior to the Closing Date for my Unit. Risk of loss to my Unit due to fire or other casualty shall remain with Sponsor until the Closing.

5.

A. PAYMENTS HELD IN TRUST AT NAMED BANK.

All payments made hereunder will be deposited within five (5) business days with Capital One Bank, 341 Eastern Parkway, Brooklyn, New York 11238, and will be held in a special trust account under the name Damion M. Sanders, Esq., Offering Plan Escrows Attorney Trust Account or similar name and withdrawals therefrom shall be made only by Damion M. Sanders, Esq. The funds so deposited will be disbursed only on the Closing Date and only for the purposes of the consummation of this Plan or returned to me as herein provided. All interest earned on escrow monies described above shall be earned by Purchasers.

B. ALL FUNDS IN TRUST.

The Sponsor will hold any monies received by it through its agents or employees in trust under New York General Business Law Sections 352-h and 352-e(2-b) until actually employed in consummation of the transaction. The parties acknowledge that, although Escrowee is holding the Downpayment for Sponsor's account, for all other purposes Escrowee is acting solely as a stake holder at their request an for their convenience and that Escrowee shall not be liable to either party for any act or omission on its part unless taken or suffered in bad faith or in willful disregard of this contract or involving gross negligence on the part of Escrowee. Escrowee may act or refrain from acting in respect of any matter referred to herein in full reliance upon and with the advice of counsel which may be selected by it and shall be fully protected in so acting or refraining from acting upon such advice of counsel.

C. INSPECTION OF PROPERTY.

I acknowledge that if available, I have inspected the said Unit and the property prior to signing this Purchase Agreement. My signing of this Purchase Agreement shall constitute my acceptance of said Unit in the condition in which it is at the time of closing, including the existing kitchen, bathroom and other appliances, if any, fixtures, equipment and installations owned by the Sponsor, subject to the requirements of the Plan. If the Unit is not substantially completed upon execution of this Purchase Agreement the Purchaser will inspect the Unit prior to closing and provide Sponsor with a "punch list" of items that are not in conformity with this offering. Sponsor shall solely determine which items on the punch list are Sponsor's obligations and as to those items undertake to complete or repair them within thirty (30) days after the closing. However, if on the Closing Date, the Unit shall be substantially damaged or uninhabitable due to fire or the elements, or acts which the Sponsor is reasonably unable to control (except if caused by me) then I shall have the right to cancel this Agreement, by notice given ten (10) days prior to the

Closing Date (or, if said event occurs within ten (10) days then prior the Closing Date), and this Agreement shall be cancelled and my deposit shall be promptly refunded to me, with interest, if any. (It is not anticipated that any interest will be earned).

D. ACCEPTANCE OF CONDITION OF PROPERTY.

Purchaser shall accept the apartment without abatement in, or credit against, the Purchase Price or any provisions for escrow deposits on the Closing Date notwithstanding the failure to complete construction of (a) minor details of the Unit or the Building, (b) other units or (c) the public areas of the Building which do not prevent Purchaser's use of the Unit. Purchaser shall be given a reasonable opportunity to examine the Unit prior to the Closing Date and shall make a careful inspection of the Unit at such time. On the Closing Date Purchaser shall sign and deliver to Seller an inspection statement prepared by Seller.

6.

A. THIS AGREEMENT IS CONTINGENT.

It is agreed that this Purchase Agreement is contingent upon the Plan being declared effective and that the Plan shall not be declared effective except as provided in the Plan.

B. ABANDONMENT OF PLAN.

The Plan may be abandoned at any time prior to its being declared effective and shall be abandoned and deemed abandoned it if has not been declared effective within the time prescribed in the Plan.

C. REFUND AND LIMITATION ON CLAIMS.

If the Plan is abandoned or does not become effective, or if after being declared effective, the Plan shall not be consummated within the time set forth in the Plan except for Sponsor's willful default, then this Purchase Agreement shall be deemed cancelled and the Plan terminated, and I shall receive a refund in full, with interest, if any, within ten (10) days thereafter, (it is not anticipated that any interest will be earned), of all monies paid by me hereunder (except as provided in Paragraph 7 hereof), and, upon such refund, no party shall have any claim against the Sponsor, Condominium or the Selling Agent, and all parties shall be released from all obligations hereunder.

7. DEFAULT AND LIQUIDATED DAMAGES.

I agree that if I fail to pay the balance of the Total Cash Payment when due, as herein provided, or if I have entered into an Interim Lease for the said Unit and have failed to comply with all the terms and conditions of such Interim Lease, the Sponsor, at its option, may (1) elect to cancel this Purchase Agreement by written notice to me at the address stated below, by registered or certified mail, and at the expiration of thirty (30) days after the date of mailing thereof (unless I shall have thereto fore cured such default) said notice shall be effective and this Purchase Agreement shall be deemed cancelled and all rights of the parties hereunder shall terminate except that the amounts theretofore paid hereunder shall be paid over to the Sponsor as liquidated damages (not to exceed ten (10%) percent of the Total Cash Payment) or (2) bring an action against the Purchaser for specific performance in which event the Purchaser could be compelled to complete the transaction. In the event of such cancellation, the Sponsor shall have the right to sell Unit to another Purchaser as though this Agreement had never been made.

8. ENTIRE AGREEMENT, OPPORTUNITY TO EXAMINE, NON-ASSIGNABILITY.

The entire Agreement between the parties hereto is set forth herein and in the Plan. The only representations made to me are those contained herein and in the Plan. I have not relied upon any representations, statements or warranties, written or oral, to any matter or estimate, that are not set forth herein and in the Plan; and I acknowledge that I have had full opportunity to examine all documents and investigate all fact referred to and stated herein and in the Plan.

9. IDENTIFICATION OF PURCHASER.

I represent that I am a person over eighteen (18) years of age. The representations contained in this Paragraph will survive the Closing Date. The term "I" shall be read as "we" and "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case our obligations shall be deemed joint and several.

10. MORTGAGE TAX CREDIT.

In the event that a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Purchaser will reimburse Sponsor to the extent of any mortgage tax credit allowed.

11. AGREEMENT NOT A LIEN OR ENCUMBRANCE.

No lien or encumbrance shall arise against the Property or the Unit as a result of this

Agreement or any monies deposited hereunder, except as hereinafter set forth. 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 heretofore made or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses 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 in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

12. NO REPRESENTATIONS.

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building, or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations or statements on behalf of the Sponsor, except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor does not make any representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or

insubstantial inaccuracy or error. The provisions of this section shall survive the Closing of Title.

13. DEPOSIT OF TWO MONTH'S COMMON CHARGES.

I agree to deposit with the Managing Agent (or the Board of Managers, if no Managing Agent has been employed), at the closing an amount not less than the two month's common charges to be used as working capital to furnish the services rendered under the By-Laws and under the applicable Laws and Rules and Regulations.

14. PROHIBITION AGAINST ADVERTISING.

For so long as Sponsor owns an Unsold Unit, Purchaser is prohibited under the terms and conditions of this Agreement for a period of twelve (12) months from the First Closing (including without limitation the time period between the date of this Agreement and the Closing of Title, to the extent applicable) from taking any of the following actions without the Sponsor's written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing the Unit for sale or rental with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental. Any such action by Purchaser shall be a default by Purchaser, entitling the Sponsor to the default remedies set forth in this Agreement. The provisions of this section shall survive Closing of Title. This provision is only applicable during the twelve (12) month period following the First Closing and shall not apply to any Purchasers who close title to a Unit after the twelve (12) month period following the First Closing has elapsed. The prohibition against advertising in the Purchase Agreement is a **special risk** of this offering plan.

15. REAL ESTATE BROKER.

The Purchaser(s) represent(s) that the only broker who brought about this sale is the broker mentioned in the caption of this Purchase Agreement, if any, and the Sponsor agrees to pay said broker a fee as per a separate brokerage agreement. The Purchaser(s) hereby holds the seller free and harmless as any claim made by any other broker arising from Purchaser(s) acts.

16. CONDITIONS FOR BINDING AGREEMENT.

This Purchase Agreement shall not be binding on me, the Sponsor or the Condominium until it is accepted, as evidenced by endorsement hereon, and a fully signed copy hereof shall have been delivered to me. If this Purchase Agreement shall not be accepted within twenty (20) days of the date hereof the delivery to me of such endorsed and fully signed copy, it shall be deemed to be rejected and cancelled and my deposit shall be promptly refunded to me, with interest, if any. It is not anticipated that any interest will be earned.

17. NOTICES.

Notices hereunder shall be delivered or mailed to the Sponsor, c/o Kaito Management Corp., 291 5th Avenue, Brooklyn, New York 11215 with a copy to counsel, c/o Damion M. Sanders, Esq., 865 President Street, Brooklyn, New York 11215 and to the Purchaser c/o the name and address noted at the foot of this Agreement and at the beginning of this Agreement.

18. ASSIGNMENT OR CHANGES.

This Purchase Agreement may not be assigned by Purchaser without the prior written consent of the Sponsor and may not be changed orally. Each of the parties hereby authorizes their attorneys to agree in writing to any changes in dates and time periods provided for in this Agreement.

19. SECTION HEADINGS.

All section headings are intended solely as introductory and are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof. This Purchase Agreement has been read in its entirety by the Purchaser.

20. CONFLICTS WITH THE PLAN.

Any conflicts between this Purchase Agreement and the Plan shall be resolved in favor of the Plan and all its amendments.

21. FEES PAYABLE TO SPONSOR'S ATTORNEY.

It shall be the sole responsibility of the Purchaser to pay a fee to the Sponsor's attorney of $1,750.00 at closing for the preparation of closing documents. It shall be the sole responsibility of the Purchaser to pay a fee to Sponsor's attorney of $150.00 for a closing where the Purchaser receives financing from an institutional or other lender. If at the request of Purchaser the closing is held at a place other than the office of the Sponsor or the Sponsor's attorney or such other place designated by the Sponsor (but within the boroughs of Brooklyn) there will be an additional fee of $250.00 per unit, which will be the responsibility of the Purchaser. There will be an additional fee charged based on distance and time if at the request of Purchaser or Purchaser's lender or attorney a closing is held outside the Borough of Brooklyn, which will be the responsibility of the Purchaser. If the closing is adjourned other than by Sponsor or Sponsor's attorney within forty-eight (48) hours of the time said closing has been scheduled, there will be an additional fee of $150.00 per Unit, payable to Sponsor's attorney, or $250.00 if the Sponsor's attorney or its representative attends the Closing and the Closing is adjourned, which will be the responsibility of the Purchaser. There will be a fee of $250.00 if a

default notice is sent to the Purchaser pursuant to the terms of an executed Purchase Agreement. There will be a fee of $350.00 if the Purchaser requests an Interim Lease for the preparation of such document, if granted, payable for to the attorneys for the Sponsor, which shall be payable at the execution of such Lease. There will be an additional fee of $800.00 if the Purchase Agreement is permitted to be assigned under the terms of the Offering Plan for processing the assignment and the documents relating thereto. There will be an additional fee of $250.00 for the review of a title report from any title insurance company, abstract company or agent requested by Purchaser or Purchaser's lender or attorney.

22. REAL PROPERTY TRANSFER TAX RETURNS.

At such time that Sponsor requests, I will complete sign, have notarized and return to the Sponsor a Real Property Transfer Tax Return with regard to the New York City Real Property Transfer Tax and TP-584 with regard to the New York State Transfer Tax. I understand that I will be responsible for the payment of such taxes and any associated recording fees.

23. AGREEMENT NOT CONTINGENT ON FINANCING.

The terms and conditions of this agreement are not subject to the Purchaser obtaining a commitment for a loan and Purchaser agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the Purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, the imposition by the lender of any additional fees or charges, nor any change in Purchaser's financial status or condition shall relive Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

24. DELIVERY OF THE DEED AND POWER OF ATTORNEY TO THE RESIDENTIAL BOARD.

At the closing of title, seller shall deliver to Purchaser a Bargain and Sale Deed with Covenant Against Grantor's Acts conveying title to the Unit to Purchaser, free and clear of all encumbrances other than those set forth in Schedule A annexed hereto and made a part hereof. The deed shall be prepared by seller and be substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by seller and Purchaser, in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes and seller and Purchaser shall duly execute and swear to a New York City Real Property Transfer Tax return and any other form then required by law, all of which shall be prepared by seller.

At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Board of Managers prepared by seller and substantially in the form set forth in Part II of the Plan.

The deed and power of attorney to the Board of Managers shall be delivered to the representative of the title company insuring the Purchaser's title (or if no such representative is present, then to seller's attorney) for recording in the City Register's Office. After being recorded, the deed shall be returned to the Purchaser and power of attorney shall be sent to the Board of Managers.

25. MARKETABLE TITLE.

At the closing of title, seller shall convey to Purchaser good and insurable title in fee simple to the Unit in the form of a bargain and sale deed with covenants against grantors acts, free and clear to all encumbrances other than those set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or Purchaser's title insurance company, together with the recording or filing fee or (b) Purchaser's title insurance company will insure Purchaser that such objection will not be collected out of the Unit if is a lien, or will not be enforced against the Unit if it is not a lien.

26. CLOSING ADJUSTMENTS.

Pay to Sponsor and amount equal to the credit to which the Purchaser would be entitled under Section 339-ee(2) of the New York Condominium Act by reason of the mortgage tax previously paid.

A. Real estate taxes and assessments, if any (including water charges and sewer rents if separately assessed; and
B. Common charges for the month in which title closes; and
C. Accrued rent and any other charges pursuant to an Interim Lease, if any, covering the Unit.

If the Unit has been separately assessed but 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 the Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment hereof shall be based upon the assessment or

anticipated assessment for the property and the percentage interest in the Common Elements appurtenant to the Unit.

If the Units have not been separately assessed prior to the Closing, Purchaser shall reimburse Sponsor for unpaid real estate taxes levied against the parcel until the Units are separately assessed. Sponsor shall pay the real estate taxes when such taxes are due and payable. Purchaser shall promptly reimburse Sponsor for such payments even if they become due and are paid after the closing. Any errors or omissions in computing apportionments shall be corrected and payment made to the proper party promptly after discovery. This paragraph shall survive the closing.

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

27. CLOSING COSTS.

Each Purchaser will be required to make a contribution to the Working Capital Fund in an amount equal to two (2) month's estimated Common Charges for such Purchaser's Unit. See "Schedule A" in Part I of the Plan for the estimate of such amounts.

28. BINDING EFFECT OF DECLARATION, BY-LAWS, AND RULES AND REGULATIONS.

Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide by and be bound by the terms and conditions thereof. The submission of this Agreement to Purchaser does not create a binding obligation on the part of the Seller. This Agreement shall not be binding on Seller until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser.

29. SELLER'S INABILITY TO CONVEY THE UNIT.

If Seller is unable to deliver title to the Unit to Purchaser 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, and in such case, if Seller notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser shall have the option to (a) take title to the Unit subject to such inability (without 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. 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 and the parties shall be released and discharged from all obligations and liability 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 giving of Seller's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first option above to acquire title subject to such inability.

30. FIXTURES, APPLIANCES AND PERSONAL PROPERTY.

Only those fixtures, appliances and items of personal property, which are described in this "Description of the Property and Building Condition" Report as being part of the Unit, are included in the sale of the Unit pursuant to the provisions of this Agreement. No portion of the Purchase Price shall be attributable to such items.

31. ACCEPTANCE OF CONDITION OF PROPERTY.

Purchaser shall accept title without abatement in, or credit against, the Purchase Price or any provisions for escrow deposits at the closing of title notwithstanding the failure to complete construction of (a) minor details of the Unit or the Building, (b) other Units or (c) the public areas of the Building, which do not prevent Purchaser's use of the Unit. Purchaser shall be given a reasonable opportunity to examine the Unit prior to the closing of title and shall make a careful inspection of the Unit at such time. At the closing of title Purchaser shall sign and deliver to Seller an inspection statement prepared by Seller and substantially in the form set forth in Part II of the Plan.

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. LIABILITY OF SELLER.

Seller shall not have any liability to any Purchaser with respect to any of Seller's obligations under this Agreement or the Plan or otherwise in excess of the liability that Seller would have had if the only asset of seller were the property. Seller shall be excused from performing any obligation or undertaking provided for in this Agreement so long as such performance is prevented, delayed or hindered by an act of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargoes, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of the Seller.

Seller's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

34. COSTS OF DEFENDING AGREEMENT.

Purchaser shall be obligated to reimburse Seller for any legal fees and disbursements incurred by Seller in defending Seller's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in cancelling this Agreement or otherwise enforcing Purchaser's obligations hereunder provided Seller is deemed the prevailing party in any such dispute or action.

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 of any transaction contemplated herein or to conform or perfect 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 as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other person 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.

The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law.

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 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, or move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

40. ENTIRE AGREEMENT.

This Agreement supersedes any and all understandings and Agreements between the parties and constitutes the entire Agreement between them.

41. 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 provisions of this Agreement.

42. CAPTIONS.

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

43. SUCCESSORS AND ASSIGNS.

Subject to the provisions of Article 24 hereof, the provisions of this Agreement shall be bind and inure to the benefit of Purchaser and his, her or their heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors and assigns.

44. NO ORAL CHANGES.

This Agreement cannot be changed or terminated orally. Each of the parties hereby authorizes their attorneys to agree in writing to any changes in dates or time periods provided in this Purchase Agreement. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

45. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser expressly and voluntarily waives such immunity and consents to any suit, action or proceeding arising out of or relating to this Agreement or the Condominium

Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents, and hereby designates and authorizes a lawful agent to receive process for and on behalf of Purchaser in any State or Federal suit, action or proceeding in the State of New York arising out of or connected with this Agreement or the Condominium Documents. If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. § 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the United States Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the United States Department of State. The provisions of this section shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement or the Condominium Documents.

46. LEAD-BASED PAINT AND/OR LED-BASED PAINT HAZARDS DISCLOSURE.

The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective purchasers of Units. In accordance with the provisions of the Federal Regulations, annexed hereto and incorporated herein as Schedule B, is a "Lead Warning Statement" and the "Disclosure of Information on Lead-Based Paint Hazards" required to be executed pursuant to the provisions of the Federal Regulation. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor will comply with applicable Law concerning use of lead-based paint and/or lead-based hazards. Purchasers have the right to inspect the Unit for the presence of lead-based paint. Sponsor does not make any representation as to the existence or non-existence of lead-based paint within the walls. Purchasers are advised that, in the event that they remove sheetrock at any time in the future, they may be responsible for removing and abating lead-based paint in accordance with the applicable Law at their sole cost and expense. Purchaser's obligations hereunder shall survive the Closing.

47. 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 or in the Plan. With respect to any matter for which jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

48. CERTIFICATION OF SPONSOR AND PRINCIPALS.

Consistent with a First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or 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 alter-ego or other veil-piercing theory. *See* Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et. al. 106 A.D. 3d 542 (1st Dept. 2013).

49. LEAD PAINT RIDER.

By signing below, I affirm that I have read this Agreement and fully understand the terms and conditions. I also understand that the Lead Paint Rider attached hereto as Schedule B to the Purchase Agreement is to be executed by the undersigned.

50. HOUSING MERCHANT IMPLIED WARRANTY DISCLOSURE.

The Housing Merchant Implied Warranty governed by Article 36-B of the New York General Business Law in §§ 777, 777-a, and 777-b (the "Housing Merchant Implied Warranty") is applicable to this Unit. The Housing Merchant Implied Warranty is incorporated by reference into this Purchase Agreement and is included in Part II of the Condominium Offering Plan. To the extent that the Housing Merchant Implied Warranty does not apply to a multi-unit residential structure of six stories the Sponsor has elected to limit the Housing Merchant Implied Warranty against certain defects otherwise applicable only to a multi-unit residential structure of five stories or less.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth below.

DATED: _____, 2020

_____
Purchaser

_____
Address

_____
Purchaser

_____
Address

APPROVED AND ACCEPTED:

THE HOMAGE ON 3RD, LLC

By: _____

RIDER TO PURCHASE AGREEMENT

RE: ANCILLARY AMENITY

This Rider is made as of _____, _____ between the Sponsor and Purchaser

Re: Residential Unit No: _____ ("Unit")
The Homage on 3rd Street Condominium
497 3rd Street
Brooklyn, New York 11215

1. ANCILLARY AMENITY LICENSE:

1.1 Sponsor agrees to sell and Purchaser agrees to purchase the STORAGE ROOM # ____ for a purchase price of $_____. At Closing, Purchaser shall enter into an Ancillary Amenity License to use the specific Storage Room designated by Sponsor, the form of which is set forth in Part II of the Plan.

1.2 The Purchaser Price in this Rider is payable as follows: (a) $_____. ("Initial Premium Payment"), due upon Purchaser's signing and delivering this Agreement; and

(b) $_____. ("Additional Premium Payment"), due upon the earlier to occur of (i) six (6) months after the date on which the Purchaser executes this Agreement or (ii) fifteen (15) days after the Plan is declared effective; and

(c) $_____. ("Exercise Price"), due upon delivery of the deed to the Unit; and

(d) If Purchaser is signing this Agreement after the Plan has been declared effective, the Initial Premium Payment and Additional Premium Payment shall be due upon Purchaser's signing this Agreement.

2. RE-DESIGNATION OF STORAGE ROOM

Sponsor reserves the right at or prior to Closing to designate a different Storage Room in lieu of the Storage Room set forth above, provided the new Storage Room is equal to or greater in size and has the same Purchase Price.

3. TEMPORARY CERTIFICATE OF OCCUPANCY

Purchase will be required to consummate the purchase of the Unit and the Storage Room simultaneously at Closing even though a Temporary Certificate of Occupancy has not been issued, and access may not be available for the Storage Room Area of the Building. In such event, the proceeds from the sale of the Ancillary Amenity will be held in escrow (Ancillary Amenity Escrow") by the Escrow Agent until such time as a Temporary Certificate of Occupancy has been

issued for the Storage Room Area in which the Storage Room is located. The Ancillary Amenity Escrow will not be held in an interest-bearing escrow account, and therefore, Purchaser will not earn any interest on the Ancillary Amenity Escrow.

4. DAMAGE TO THE STORAGE ROOMS

If there is a fire or other casualty to the Storage Room Area and Sponsor does not elect to repair or restore such area following such fire or casualty, then the Purchase Agreement shall be deemed modified to provide for the Closing of Title with respect to the Unit only. In such event, the Exercise Price of the Unit shall be reduced by the amount of the Premium Payments paid pursuant to this Rider

5. DEFINITIONS

All capitalized terms used in this Rider not defined shall used in this Rider shall have the meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

6. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

7. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

_____
Purchaser

_____
Purchaser

Sponsor:

THE HOMAGE ON 3RD, LLC

By: _____

ASSIGNEE AFFIDAVIT

STATE OF NEW YORK
COUNTY OF

, being duly sworn, deposes and says:

1. I (We) have not been procured by Sponsor or the Selling Agent for the purpose of the assignment of the Purchase Agreement with regard to Unit _____ at 497 3rd Street, Brooklyn, New York 11215. *
2. I (We) or the below specified member of my (our) immediate family intend to personally occupy Unit _____ at premises 497 3rd Street, Brooklyn, New York 11215.

Specified Member(s) of Assignee's Immediate Family:

Name(s)	Relationship
_____	_____
_____	_____
_____	_____

_____ _____
Assignee Second Assignee (if more than one)

* Delete what is inapplicable

Sworn to before me this

day of

_____

SCHEDULE A

The Permitted Encumbrances are the following:

1. Building restrictions, zoning, and other regulations, resolutions, and ordinances and any amendments thereto now hereafter adopted.

2. Any covenants, conditions, easements, leases, agreements or restrictions of record provided the same do not render title unmarketable.

3. Any state of facts shown in the survey of land and building made by Apple Surveying, and any additional state of facts which a subsequent survey or inspection thereof would show provided such additional facts would not prevent use of the premises for dwelling purposes.

4. Any state of facts which an accurate survey and inspection of the apartment unit would show, provided such state of facts would not prevent use of the Unit for dwelling purposes.

5. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all as set forth in the Declaration, the By-Laws, and Rules and Regulations, the Power of Attorney from the purchaser to the Board of Managers ad the Floor Plans; as all of the same may be amended from time to time.

6. The terms, burdens, covenants, restrictions, conditions, easements, and rules and regulations, all as set forth in the Declaration, the By-Laws, to be recorded in the Office of the Register, County of Kings provided a title company selected by Sponsor insures against loss or damage occasioned by the premises not being part of a Condominium validly created pursuant to Article 9-B of the Real Property Law as amended.

7. Restrictive Use and Regulations as set forth in the By-Laws of the Condominium Corporation.

8. Power of Attorney as set forth in the purchase agreement from the insured to the members of the Board of Managers of the Condominium and their successors.

9. Consents by Sponsor or any former owner of the land for the erection of any structure or structures on, under or above any street or streets on which the land may abut.

10. Any easement or right of use in favor of any utility company for construction, use, maintenance, repair, and/or replacement of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, and other equipment and facilities on, under, and across the Land and Building.

11. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid by the Board of Managers).

12. Encroachments of stoops, areas, cellar steps, or doors, trim, copings, retaining walls, bay window, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the property or the street or sidewalks or other properties abutting the property and the rights of governmental authorities to require the removal of any such projections and variations between the record lines of the property and retaining walls and the like, if any.

13. Lease and service, maintenance, employment and license agreements, if any.

14. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, provided the same are adjusted at the closing of title.

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

16. Any other declaration or other instrument affecting the property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair, or restoration of the building.

17. Standard exceptions contained in the form of fee title insurance policy then issued by Philip O'Hara and Associates, Inc. or such other title company insuring the Purchaser's title to the Unit.

18. Any encumbrances as to which the title company which insures the Purchaser's title to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will not prevent use of the Unit for dwelling (if unit is residential) professional (if unit is retail) purposes and (c) will not be enforced against the Unit if it is not a lien.

19. Any other encumbrance against the property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

20. Any recorded covenant, restriction, reservation, agreement, assessment or encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

21. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction.

22. Any Interim Lease covering the Unit made from Sponsor to the purchaser.

SCHEDULE B

LEAD PAINT RIDER TO PURCHASE AGREEMENT

The United States Environmental Protection Agency ("EPA") and the Department of Housing and Urban Development ("HUD") 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 Unsold 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;

(a) Purchaser and Purchaser's consultant, if any ("Consultant"), will be given reasonable access to the Unit and the public areas of the Building.

(b) The Inspection shall be held at a mutually convenient time and date.

(c) 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 Building.

(d) Purchaser hereby indemnifies and holds harmless from, and agrees to be liable for any damages to the Unit or the Building, injuries and all claims and lawsuits caused by the Purchaser or the Consultant during or from the Inspection.

(e) Purchaser or Consultant will not probe, penetrate or disturb any painted or covered surface during the Inspection without the 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 the 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 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 his contingency and sell the Unit in "as is" condition, then this Purchase Agreement shall become void and the Contract Deposit will be refunded to the Purchaser. The Purchaser may remove this contingency at any time without cause.

PURCHASER AGREES THAT IT IS PURCHASING THE UNIT "AS IS' WITHOUT ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE CONDITION OF THE UNIT AND THE BUILDING, EXCEPT AS MAY BE OTHERWISE PROVIDED IN THE PLAN. PURCHASER FURTHER AGREES THAT SELLER HAS NO RESPONSIBILITY OR LIABILITY 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 BUILDING.

_____
, Purchaser

_____
, Purchaser

SELLER:

By: _____
Name:
Title:

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

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:
(a) Seller has no knowledge of lead-based paint or lead-based paint hazards in the housing.
(b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgement:
(a) Purchaser has received the pamphlet "Protect Your Family from Lead in Your Home".
(b) 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 the presence of lead-based paint and/or lead-based paint hazards
- (ii) Waived an opportunity to conduct a risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards.

Agent's Acknowledgement:
(a) Agent has informed Seller of Seller's obligations under 42 U.S.C. Section 4852(d) 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: _____ _____ LLC

By: _____
Authorized Signature

_____ _____

SCHEDULE C

RIDER TO PURCHASE AGREEMENT RE: ESCROW AGREEMENT

NEW YORK STATE DEPARTMENT OF LAW

MODEL FORM OF ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), _____ ("SPONSOR"), as sponsor of the _____offering plan ("Plan") and _____ ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale [cooperative/condominium/homeowners association/time shares] [ownership/membership/fractional] interests at the premises located at _____, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT [shall/has] establish[ed] 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 [shares/unit/membership interest/fractional interest] [__] (the "Purchase Agreement") at [NAME OF BANK] located at _____, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled _____("Escrow Account"). [The account number is _____.]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: _____. 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 _____, and a telephone number of _____.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of _____, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall place the DEPOSIT into the Escrow Account. Within ten (10) business days of placing the DEPOSIT in the Escrow Account, ESCROW AGENT shall provide written notice to Purchaser and Sponsor, confirming the Deposit. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY, 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest];

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the [unit/building] is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352-e(2-b) and 352-h.

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

6. RESPONSIBILITIES OF SPONSOR.

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

6.2 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-hand the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

[LAW FIRM]

By: _____
Name: _____
Title: _____

SPONSOR

[INSERT NAME]

By: _____
Name: _____
Title: _____

PURCHASER

[INSERT NAME]

By: _____
Name: _____
Title: _____

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the Declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as The Homage on 3rd Street Condominium (the "Condominium") and by the street address 497 3rd Street, Brooklyn, New York 11215 under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the New York County office of the Register of The City of New York on _____, in Reel _____ Page _____, or (b) in the By-Laws of THE HOMAGE ON 3RD STREET CONDOMINIUM (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned,_____ the owner of the Unit (the "Unit") known as Unit No. _____ in the Declaration and also designated as Tax Lot _____ in Block _____ in the Borough of Brooklyn, Kings County on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans, does hereby nominate, constitute and appoint the persons who may from time to time constitute the Sponsor under the Offering Plan and Board of Managers, 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 Board of Managers, or in the name of their designee (corporate or otherwise) on behalf of all Unit Owners, in accordance with such Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1) (a) following due authorization by the Unit Owners, to acquire or lease any Unit, together with the appurtenant interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, upon such terms and conditions as shall be approved by a majority of Unit Owners, (b) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or similar sale, on such terms as said attorneys-in-fact shall deem proper, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorney-in-fact may determine granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to execute, acknowledge, and deliver (a) any Declaration or other instrument affecting any Unit under which the 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 public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of any Unit or (b) any consent , covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium.

The undersigned do further hereby nominate, constitute and appoint Sponsor as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, the By-Laws and the Rules and Regulations of the Condominium and House Rules, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or his designee in accordance with the Declaration or (2) shall be required by (a) an institutional lender 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 this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-designee(s) shall cease to own any Units in the Condominium.

The undersigned do further nominate, constitute and appoint Sponsor as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to execute any document on behalf of the undersigned, if same is necessary, to effectuate the transfer, assignment or conveyance by Sponsor, in whole or in part, of the transferable development rights which Sponsor has retained for itself, its successors and assignees. This power of attorney shall in no way be construed to grant any interest in such transferable development rights to the undersigned.

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

This Power of Attorney shall be irrevocable.

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

.....

.....

State of New York

County of _____

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

_____
Notary Public

UNIT DEED

THIS INDENTURE made the ..... day of ....., 20....., between THE HOMAGE ON 3RD, LLC, having an office at 291 5th Avenue, Brooklyn, New York 11215, the ("Grantor"), and _____ residing at _____, (the "Grantee"),

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other 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: the Unit (the "Unit") known as Unit No. ..... in the premises and building (the "Building") known as the Homage on 3rd Street Condominium (the "Condominium") and by the name 497 3rd Street, Brooklyn, New York 11215, Borough of Brooklyn, County of Kings, City and State of New York, said Unit being designated and described as Unit No. ..... in the declaration ("Declaration") establishing a Plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), as amended, dated _____, and recorded in the New York County office of the Register of the City of New York (the "City Register's Office") on the ..... day of ....., 20....., under CRFN # _____, and also designated as Tax Lot No. ..... in Block _____ of Section _____ of the County of New York on the City Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said Building, certified by SELIM VURAL, Architect, on the ..... day of ....., 20 ....., and filed in the New York County Register's Office on _____, as Condominium Plan No. _____. The premises within which the Unit is located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of the Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws").

TOGETHER with an undivided ..... % interest in the Common Elements;

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

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

SUBJECT also to such other liens, agreements, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or to the property.

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling of the Building, or as a result of repair or restoration of the Building, or the Unit, 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 made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the Property, and serving the Unit;

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

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

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record appertaining to the Unit, to the land and/or to the building in which the Unit is located.

SUBJECT also to the Grantor's ownership of the Excess Air and Developmental Rights, and its right to sell and convey such rights.

SUBJECT also to the permitted encumbrances set forth in Exhibit A annexed hereto.

TOGETHER with and SUBJECT TO easements, rights of way, restrictions and encumbrances created by the Declaration for The Homage on 3rd Street Condominium recorded in the Kings County Office of the Register of the City of New York on the ..... day of ....., 20....., in Reel ..... at Page .....

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Kings Office of the Register of the City of New York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

EXCEPT as otherwise specifically permitted by the Board of Managers of the Condominium or provided in the Declaration or in the By-Laws, the Unit is intended for _____ _____ use only;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

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

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

The use for which the Unit is intended is that of a residence or commercial Unit as permitted by the By-Laws and the Declaration.

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 improvements before using any part of the same for any other purpose.

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

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

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

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

.....

GRANTOR
THE HOMAGE ON 3RD, LLC

By: .....

Grantee

By: .....

Grantee

[Use appropriate acknowledgments.]

ANCILLARY AMENITY LICENSE

AGREEMENT made this _____ day of _____, _____ ("Ancillary Amenity License") by and between The Homage on 3rd, LLC, having an office at 291 5th Avenue, Brooklyn, New York 11215 ("Sponsor") and the Board of Managers of The Homage on 3rd Street Condominium on behalf of all Unit Owners, having an address at 497 3rd Street, Brooklyn, New York 11215 ("Board of Managers") (Sponsor and Board of Managers are sometimes collectively referred to as "Licensor") and _____ having an address at _____ ("Licensee");

W I T N E S S E T H:

WHEREAS, the Homage on 3rd Street Condominium ("Condominium" is governed by a certain Declaration of Condominium recorded in the Office of the Register of the City of New York, County of Kings as the same has been or may be amended from time to time ("Declaration"), the By-Laws of the Condominium as the same has been or may be amended from time to time and the Rules and Regulations of the Condominium as the same has been or may be amended from time to time ("Rules and Regulations") (the Declaration, the By-Laws and the Rules and Regulations are collectively referred to as the "Condominium Documents"); and

WHEREAS, the Condominium is located at 497 3rd Street, Brooklyn, New York 11215 ("Property"); and

WHEREAS, STORAGE ROOMS, defined in the Declaration have been installed in a portion of the Property ("Storage Room Area"); and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Residential Unit _____ in the Condominium; and

WHEREAS, the Board of Managers granted Sponsor the exclusive right to sell, without charge, the Storage Room pursuant to an Ancillary Amenity License and the Condominium will not be entitled to any of the proceeds from such sale; and

WHEREAS, Licensee desires the right to the exclusive use of a Storage Room ("Ancillary Amenity") for so long as Licensee owns a Residential Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, an Ancillary Amenity License for the exclusive use of Storage Room # _____ ("Storage Room License") and Licensee hereby accepts such Ancillary Amenity License from Licensor for a term commencing on the date hereof.

2. At Closing Licensee shall pay a license fee to Licensor in the amount of $_____. Any fee and/or Special Assessment due hereunder or imposed by the Board of Managers in the future, shall constitute "additional Common Charges" under the terms of the Condominium Documents. Licensee's failure to pay the fee and/or Special Assessment due hereunder or imposed by the Board of Managers in the future shall constitute a material default under the terms of the Condominium Documents.

3. The Storage Room may be used only for the storage of personal effects of a Residential Unit Owner or its Permitted Users and in no event shall any food or perishable items 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 in the Storage Room.

4. Except for Sponsor and the Board of Managers, a Residential Unit Owner may not own the Ancillary Amenity except in accordance with the terms hereof.

5. Licensee shall not (a) store any property outside of the Ancillary Amenity; or (b) allow any other person to use the Ancillary Amenity except in accordance with the terms hereof.

6. This Ancillary Amenity License may be assigned by Licensee at any time provided that (i) the assignee is a Residential Unit Owner at the Condominium, (ii) the assignee assumes the obligations hereunder in the form annexed hereto, (iii) the assignee delivers notification of the assignment and the notification is delivered in writing to the Board of Managers in compliance with its requirements as the same may be modified from time to time, and (iv) the assignee and the Licensee do not owe any outstanding monies to the Condominium. This Ancillary Amenity License shall automatically terminate at such time as Licensee no longer owns a Residential Unit in the Condominium unless this Ancillary Amenity License is assigned to and assumed by another Residential Unit Owner.

7. Licensee represents that Licensee has made a thorough inspection of the Ancillary Amenity and the Ancillary Amenity Area and agrees to take the same in its "as is" condition as of the date of this Ancillary Amenity License.

8. Licensee represents that Licensee shall, throughout the term of this Ancillary Amenity License, maintain the Ancillary Amenity with proper manner of care.

9. Neither Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Ancillary Amenity Area. Licensee acknowledges that the Ancillary Amenities and the Ancillary Amenity Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost and expense of the Ancillary Amenity Licensee. Licensor, Licensor's agents or employees, and Sponsor shall not be liable for any loss or damage caused by the power outages, temperature fluctuations or other causes in the Ancillary Amenity Areas.

10. The terms of this Ancillary Amenity License are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Ancillary Amenity License and the Condominium Documents shall be resolved in favor of the Condominium Documents.

11. If the Licensee defaults in Licensee's obligations under this Ancillary Amenity License or under the Condominium Documents, the Board of Managers may, in its sole discretion, elect by notice to the Licensee to cancel this License, in addition to the other rights and remedies that the Board of Managers has under the Condominium Documents. If the Board of Managers so elects, Licensee shall have a thirty (30) day period, from the giving of notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) day period, TIME BEING OF THE ESSENCE, then this License shall be deemed terminated. Upon the termination of this License, the Board of Managers will be released and discharged of all further liability and obligations under this License, and the Ancillary Amenity may be licensed to another as though this License had never been made, and without any obligation to account to Licensee for any of the proceeds.

12. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Board of Managers may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of the Ancillary Amenity until Licensee cures such default or (ii) terminate this Ancillary Amenity License upon written notice to Licensee.

13. The Board of Managers or its agents shall have the right, but not the obligation, to open the Ancillary Amenity in an emergency at any time, and, at other reasonable times upon prior written notice to Licensee, to inspect and examine the Ancillary Amenity Area and to make such repairs, replacements and improvements as the Board of Managers shall deem necessary.

14. This Ancillary Amenity License shall constitute a license only and shall not be construed under any circumstances to be a sale of the Ancillary Amenity or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between Licensor and Licensee with respect to this Ancillary Amenity License.

15. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, unit owners, members, agents, and employees, harmless from and against all liabilities, claims, penalties and judgments, together with any related costs and expenses, including legal fees and expenses, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family members, servants, employees, agents, guests, and invitees in connection with this Ancillary Amenity License.

16. Licensee shall be obligated at its sole cost and expense to obtain and maintain insurance, covering the Ancillary Amenity in amounts sufficient to cover the property located therein.

17. Licensee shall be obligated to reimburse Licensor for any legal fess and disbursements incurred by Licensor in defending the rights of Licensor under this Ancillary Amenity License or, in the event Licensee defaults under this Ancillary Amenity License beyond any applicable cure period, enforcing Licensee's obligations hereunder.

18. Neither this Ancillary Amenity License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

19. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Ancillary Amenity License, which alone fully and completely express their agreement and this Ancillary Amenity License supersedes any and all such understandings and agreements with respect to the subject matter hereof.

20. If any provision of this Ancillary Amenity License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Ancillary Amenity License and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Ancillary Amenity License, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

21. Either part 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 Ancillary Amenity License or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

22. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Ancillary Amenity License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Ancillary Amenity License to be performed by Licensee.

23. Licensor accepts and ratifies the provisions of the Declaration and the By-Laws (and any Residential Rules and Regulations or House Rules adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

IN WITNESS WHEREOF, the undersigned have executed this Ancillary Amenity License as of the day and year first written above.

AGREED TO AND ACKNOWLEDGED BY:

LICENSOR

The Homage on 3rd Street Condominium

By: _____
Name
Title

LICENSEE

_____

By: _____
Name:
Title:

SPONSOR
The Homage on 3rd, LLC

By: _____
Name:
Title:

ASSIGNMENT AND ASSUMPTION OF ANCILLARY AMENITY LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF ANCILLARY AMENITY LICENSE made as of the _____ day of _____, _____ by and between _____ ("Assignor"), having an address at _____, and _____ ("Assignee"), having an address at _____.

W I T N E S S E T H:

WHEREAS, Assignor desires to assign all of Assignor's right, title, and interest in and to the Ancillary Amenity Licensee; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Ancillary Amenity License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Ancillary Amenity License.

NOW THEREFORE in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title, and interest in and to the Ancillary Amenity License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $ _____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Ancillary Amenity License as if Assignee had signed the Ancillary Amenity License originally as "Licensee".

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Ancillary Amenity.

4. EFFECTIVE DATE: This Assignment shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Ancillary Amenity License on the day and year first written above.

ASSIGNOR

_____
(signature)

ASSIGNEE

_____
(signature)

APPROVED BY:

The Homage on 3rd Street Condominium

By: _____
Name:
Title:

LEGAL DESCRIPTION OF SITE

Block 976, Lot _____ on the Tax Map of Kings County

The Condominium Unit (the "Unit") known as Unit No. _____ in the building (the "Building") known as The Homage on 3rd Street Condominium and by the Street Number 497 3rd Street, Brooklyn, N, said Unit being designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York, (the "New York Condominium Act") dated ____/____/_____ and recorded in the Office of the Register of the City of New York (the "Register's Office"), County of Kings on ____/____/____ under CRFN _____ and also designated as Tax Lot _____ in Block 976 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 of said Building, certified ____/____/____ by _____ and approved by the Real Property Assessment Department of the City of New York as Condominium Plan No. _____ and Map recorded in the Register's Office on ____/____/____ under CRFN _____

TOGETHER with an undivided _____ interest in the Common Elements.

The premises within which the Unit is located are more particularly described as follows:

ALL that certain plot, piece or parcel of land, situate and 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 in the Northerly side of 3rd Street distant 22 feet 3 inches westerly from the corner formed by the intersection of the northerly side of 3rd Street and the westerly side of 7th Avenue.

RUNNING THENCE northerly parallel with 7th Avenue and part of the distance through a party wall 90 feet;

THENCE westerly parallel with 3rd Street 22 feet;

THENCE southerly again parallel with 7th Avenue and part of the distance through a party wall 90 feet to the northerly side of 3rd Street;

THENCE easterly along the northerly side of 3rd Street, 22 feet to the point or place of beginning.

TOGETHER with the Benefits and Subject to the Burdens and Provisions of the Declaration of Condominium and of the By-Laws of the Condominium recorded in the Office of the Register of the City of New York, County of Kings, on ____/____/____ under CRFN _____, as the same may be amended from time to time by the instruments in the Register's Office aforementioned which shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit.

DESCRIPTION OF THE PROPERTY AND BUILDING CONDITION
("ARCHITECT'S REPORT")

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HOMAGE ON THIRD CONDOS – ARCHITECT'S REPORT

497 3rd Street Brooklyn, NY 11215

A. Location and Use of Property:

(1) Address: 497 3rd Street
Brooklyn, NY 11215

(2) Block/ Lot No: Block: 976 Lot:45

(3) Zoning District: R-6A – C1-4 Overlay , Zoning map no 16d

(4) Permissible Uses: Residential, Use group 2 above ground and Mercantile use group M on ground floor, as per New York city Zoning Resolution which permits residential use "as of right". The property and proposed uses comply with all zoning and use requirements at closing. The building complies with Chapter 8 of the zoning resolution for quality housing program. Dwelling units are larger than 400 square feet, having laundry facility within each unit, and having 1" insulated glass windows, without thermal break. Recreation space is on the roof, and there is a cellar with storage room.

(5) Other: No air development rights were obtained for this development. The sponsor is not retaining any air development rights for future expansion of the building. This development does not have a landmark status.

There is a restrictive declaration filed with the Office of the City Register of the City of New York on 11/14/2016, CRFN# 2016000399009, pertaining to the four (4) lot line windows (described in Section H.1.1.ii) on the 5th and 6th floor, stating:

If any building neighboring Building is hereafter altered or constructed to come within a distance of less than 60 feet in direct line (whether horizontally, vertically or diagonally) of any exterior openings in the West wall of the Building from the 5th to the 6th above grade floors, then said exterior wall opening which fall within said distance limitation shall promptly be closed with construction meeting the fire resistance rating requirements for an exterior wall of the Building as provided in the Building Code and all other applicable laws, ordinances, codes rules and regulations.

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B. Status of construction

(1) Year Built: 497 3rd Street was previously occupied by a four-story SRO brown stone town house, with brick periphery walls clad with brown sand stone on the front façade, built in 1921. The floor and roof slabs were made of wood joists and planks. The building was mostly demolitioned when construction began in mid 2018. The only existing to remain elements from previous building are the east and west brick party walls, which were cleaned, patched and repointed. All other elements described in this plan have been replaced. The new building is a new steel concrete building that began construction in mid 2018 and is expected to be substantially completed by March 2020. All structural work is complete and the exterior work of the building is substantially complete, with individual unit finishes currently being installed. For information regarding government agencies, controlled and progress inspections, see section U.

(2) Class of Construction:

The building is classified as Class I-B (non-combustible) and conforms to all applicable regulations of the 2014 NYC Construction Codes ("building code"). Proposed building structure will be fire-protected throughout and an automatic sprinkler system installed.

(3) Certificate of Occupancy:

Existing Certificate of Occupancy Number is 140041-070754. Certificate of Occupancy will be processed at the conclusion of Construction as required by NYC building code, including Local Law 58 and Local Law 26. The certificate of Occupancy will provide for residential use on floors first through seventh and residential accessory use such as recreation room, utilities and storage at cellar. The CO application will be subject to inspections and sign-off by Department of Buildings and Department of Highway. The date of issue for the final CO will be approximately two years after the date of issue for the temporary CO. When complete, the building is in compliance with Local Law 58 (Handicapped Access Law).

(4) Alteration permit numbers and description of work done:

The plans were filed under NB #320590516-01-NB with the Department of Buildings. The Building Permit No . #320590516 NB was issued for the construction of the project.

C. Site:

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(1) Size: The total site area which is of Tax lot 45 is equal to 1980 square feet, with dimensions of 22 feet wide and 90 feet deep.

(2) Number of Buildings and Use:

The building is the only structure on the property. The building consists of 6 stories with cellar and bulkhead. It is used for utility and storage in cellar, occupancy in ground level, and residential occupancy on 2nd, 3rd, 4th, and 5-6th floor penthouse duplex amounting to 4 residential units above the retail. The cellar floor is used for building services such as utility rooms, storage and retail storage. The roof is both common area and four private roof decks designated to each unit.

(3) Streets owned and maintained by the project:

None. The property is demised by two other brick structures, one east bound and one west. The east bound building is the corner building at the intersection of 7th avenue and 3rd street, which is also commercial on grade and residential on top. The west bound building is solely a residential multi-family town house. The property is fronting Third Street and the length of the front lot line is 22 feet, where the depth is 90 feet which is parallel to 7th avenue. There are no side yards or alley ways. No sidewalk vaults or easements.

(i) Paving: The sidewalk fronting the property will be replaced with new concrete sidewalk pitched for drainage to the curb and is free of tripping hazard and ponding.

(ii) Curbing: The curb abutting the property will be replaced with new steel curb.

(iii) Catch basins, drainage: The street fronting of the property is pitched to drain through catch basins and the street and sidewalk slope is substantial enough to drain any storm water downhill towards 6th avenue. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

(iv) Street Lighting: The metal street posts on adjacent streets is owned and maintained by the City of New York and are in good working condition.

(vi) A firemen's hatch has been provided for code compliant access to the cellar which provides points of access to firemen to other parts of the building should it be necessary. All other items conform to local fire district, town or municipal building codes.

(4) Drives, Sidewalks and Ramps:

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(i) Paving: The sidewalk fronting the property on 3rd Street will be replaced with new concrete sidewalk in accordance with the approved Buidler's Pavement Plan. Pavement is owned by the City of New York and will be maintained by the building per section 19152 of the Administration Code.

(ii) Curbing: The curb abutting the property will be replaced with new steel curb in accordance with the approved Buidler's Pavement Plan and will be in conformance with local fire district and municipal codes.

(iii) Catch basins, drainage: The street fronting of the property is pitched to drain through catch basins and the street and sidewalk slope is substantial enough to drain any storm water downhill towards 6th avenue. The catch basins are part of the New York City storm water drainage system. They are in usable condition.

(iv) Street Lighting: The metal street posts on adjacent streets is owned and maintained by the City of New York and are in good working condition.

(vi) A firemen's hatch has been provided for code compliant access to the cellar which provides points of access to firemen to other parts of the building should it be necessary. All other items conform to local fire district, town or municipal building codes.

D. Utilities

(1) Electricity:

Electricity is provided by Consolidated Edison Company ("Con Edison"), or other service provider. The electricity to each unit is a direct metering at the meter bank in the cellar. The electricity consumed by the Common Elements is included in common "house" meter and allocated among the Units as noted in the First Year's Budget.

(2) Gas:

Gas is provided by National Grid or other service provider. There are separate gas meters for each unit in the building and the units owners are responsible individually for their gas usage.

(3) Water and Sewer:

Water supply and combined sewer servicing the building is provided by the City of New York. Water is collectively metered thru a main water meter. The cost of the

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water consumed by the building is allocated among the units as noted in the First Year's Budget.

(4)Telephone: "Local" telephone is provided by Verizon and/or another service provider. Every unit Owner is required to pay their associated telephone charges and initial charges for activating individual outlets in the unit. The telephone charges with respect to the public areas of the Building are borne by all Unit Owners as a Common Expense and allocated among the Units as noted in the First Year's Budget. .

(5) Cable Television: Cable Television service is provided by Verizon an/or other providers available in Brooklyn. Each unit owner who desires to obtain such service is required to pay its associated cable television charges, including any activation costs.

E. Sub-Soil Conditions:

Soil test performed by ACE Inspection and Testing Services Inc. dated October 28th, 2015 does not reveal any water up to depth of 40ft. The soil test indicates grey and brown-grey sand, silt, gravel, and some masonry fill/debris up to a depth of 10ft. Between 10ft to 30ft, the soil test indicates black, reddish, brown, silty, fine sand, and sand and gravel. Therefore, the new foundation consists of concrete wall and spread footings for an allowable soil bearing capacity of 3 Tons/SF.

(1) There has been no uneven foundation movement or settlement.

(2) There are no land subsidence, expansive soils, hazardous materials, and/or environmental restrictions present on the property. There is no evidence of moisture or seepage or ground water infiltration. A sub-grade drainage system was provided for the foundation of the building, consisting of Grace Hydroduct drainage sheets and gravel bed. The building foundation system is accurately sized to support the calculated load.

(3) The building is not in or close to a flood zone according FEMA maps.

F. Landscaping & enclosures:

(1) Grass Cover: N/A
(2) Plantings: The vegetation is limited to concrete planters in the backyard, front yard and roof top.

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(3) Trees: There are no new trees planted on the sidewalk, where a payment has been made to the NYC Office of the Parks and Recreation, in lieu of approved Building Pavement Plan approved 12/27/2018.

(4) Fencing: There is a 42" railing separating the backyard from the adjacent backyard to the west, where north and east sides of the backyard is enveloped by adjacent buildings. The wall is made of 16 gauge framing with stucco and waterproofing.

(5) Gates: N/A

(6) Garden Wall: N/A

(7) Retaining walls: N/A

(8) Display pools and fountains: N/A

G. Building Size:

(1) Total height: The total height of the building from average sidewalk elevation to top of bulkhead roof elevation is 87' 0".

(2) Crawl Spaces: N/A

(3) Number of sub-cellars and cellars: There is one cellar. There is no sub-cellar.

(4) Number of floors: There are 6 floors above average grade and one bulkhead.

Cellar floor to 1st floor	10'-2"
1st floor to 2nd floor	10'-2"
2nd floor to 3rd floor	10'-2"
3RD floor to 4th floor	10'-2"
4th floor to 5th floor	10'-2"
5th floor to 6th floor	11'-4.5"
6th floor to Roof	11'-4.5"
Roof to roof of stair bulkhead	10'-7"
Stair Bulkhead to Top Bulkhead	13'-0"

(5) Equipment Rooms (location and use):

(i) Elevator:

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The elevator is a machine-roomless elevator with a concrete masonry block hoist of 7'-0" x 8'-8". The short side of the hoist faces south with an elevator door in the lobby, which turn towards west as they open to residential units above. There is no additional vestibule at the apartments and the elevator directly opens to the residence in loft style. The elevator reaches up to the roof and is ADA compliant. Each unit will have a key fob that would open the elevator into their individual unit. See Elevator in Section H, subparagraph 12-13 for elevator security and other elevator features.

(ii) Boiler:

There is no boiler room; boilers are housed inside each unit in a separate mechanical room. The penthouse unit boiler room is located on the 6th floor rear terrace. The retail unit boiler room is located adjacent to the lobby.

(iii) Mechanical:

There is a mechanical room in the cellar with gas, water and sewer connections, holding sprinkler main valves, the gas meters, domestic water booster pump, fire booster pump and sewage ejector pump.

(iv) Electrical:

The electrical room is to the east side of the cellar holding all electrical meters and the main panel.

(vi) Telecom:

There is a telecom closet in the lobby package closet.

(vii) Virtual Doorman:

There will be a virtual doorman system installed in each unit connected to the entry door. Equipment is located in the telecom closet.

(5) Parapet (height above roof): The top of the parapet is 42" above finished roof.

H. Structural System:

1. Exterior of building:

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The primary structure of the building is designed as a 7-story steel frame structure with light weight concrete slab on metal deck supported by steel beams and columns.

The foundations sub-cellar and cellar consist of reinforced concrete foundation and spread footing, which is integrated with underpinned foundation walls around the east elevator shaft wall. For underpinning, six dowels were drilled into existing concrete footing at each 30" underpinned section. Steel transfer wedges and 2" drypack were inserted, with minimum of 24" thick concrete underpinned slab beneath. Slab on grade is 5" reinforced concrete with vapor barrier underneath. Above the 5th floor, the building is a light metal frame and C-Joist structure with 3 inch concrete slab on metal decking. The lateral framing for resisting wind and seismic forces are light metal X-bracing.

Sound insulation will be provided at walls (R-11 insulation) and at ceilings (R-19 insulation). Units shall have an IIC rating of 56 with hard wood flooring and plywood sub flooring on concrete slab.

Regarding water intrusion, metal flushing is provided at all copings and parapets. At brick walls, weep holes are placed immediately above all flashing and spaced 24 inches apart with open head joints, and 16 inches on center when round tubes are used. A sub-grade drainage system was provided for the foundation of the building, consisting of Grace Hydroduct drainage sheets and gravel bed. The foundation walls and floor slab was waterproofed using Grace Preprufe Waterproofing Membrane.

Smoke hatches will be installed in accordance with the Building Code of New York State.

(1) Exterior of building:

(i) Walls:

Exterior walls facing street has 4" face brick with 1 ½" cavity over a cold form 6" lightweight steel framing and R20 insulation material and has a 2 hour fire rating. Exterior walls facing the rear façade is a cold metal 6" lightweight steel framing with stucco on the exterior, holding a R11 insulation board and water membrane and have a 2 hour fire rating. The exterior side walls are stucco on the exterior supported by 6" solid reinforced concrete block and 2 ½" thick fiberglass thermal insulation with R value: 11 and 5/8" gypsum board finish. Above the windows are a

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steel arched header. Exterior glazing is wood framed windows with double insulated glass panes and weather stripping.

The building has one hour fire-rated walls within the units, which is comprised of 5/8" gypsum board fire code "C" wallboard fastened to steel studs. The building has two-hour fire rated solid CMU walls around east walls of stairs, elevators and shafts, comprised of two layers of 5/8" fire code "C" wallboard. The other sides of walls of stairs, elevators and shafts are two hour fire-rated walls comprised of 16ga lightweight steel framing. The building has three-hour fire-rated walls at property line, which comprise of 8" concrete block, 2" of rigid insulation, one layer of stucco on the exterior, and 3" furring on the interior, which consists of steel studs at 16" O.C. with insulation in between and one layer of 5/8" gypsum wallboard. The 5th and 6th floor walls have 2 hour fire-rated walls comprised of 16ga 6" lightweight steel framing and EIFS (stucco).

(ii) Windows:

Front façade comprises of fixed and casement operable windows with double insulated glass panes, wood framing and weather strips, providing light and ventilation to the front living rooms and bedrooms. Rear façade consists of casement operable windows from first through 2nd floor to 6th floor, and fixed windows at cellar garden. All windows are made with factory glazed double insulated glass panes, wood framing and weather strips.

Windows are manufactured by Imperial Euro Windows Inc. and will have window guards installed, white quartz sills, Dow Corning 795 caulking, stainless steel lintels and stainless steel metal hardware with brass colored coverings. There are no screens or storm protections.

Storefront is manufactured by Gamco Corporation and will consist of double insulated fixed glass pane windows with black aluminium frames.

Windows comply with structural performance, air infiltration, and water penetration requirements indicated in AAMA 101 type, grade, and performance class of window units required. There are no thermal break systems in the windows.

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There are four (4) lot line windows directly on lot line to the west, that will contain openings 3 feet or less from the interior lot lines. Two (2) of the lot line windows provide light and air to the kitchen and the master bedroom on the 5th floor of the penthouse unit and two (2) lot line windows provide light and air to the master bedroom on the 6th floor. The lot line windows do not exceed 10% of the area of the facade of either the 5th floor or 6th floor. The lot line windows are manufactured by Imperial Euro Windows Inc. and are comprised of double insulated glass panes, wood framing, weather strips and each lot line window is protected by an individual approved water curtain using automatic sprinklers approved for that use and installed in accordance with NFPA 13 as modified in Appendix Q (per section BC 705.8.2 of the 2014 Code or BC 704.12 of the 2008 code, Exception for R-2 Occupancy group). These lot line windows are not used to satisfy required natural light or ventilation, and comply with all noted NYC codes within Occupancy Group R-2. There are no thermal break systems in the windows.

1 Year warranty for installation of windows, with a 10 Years warranty on parts finish and insulated glass.

The sponsor reserves the rights to provide windows by different manufacturers, which are equal to, or better than those described.

(ii) Landmark Status: The proposed building does not have Landmark status.

2. Parapets and Copings:

The parapets are masonry walls reinforced with vertical corrosion resistant dowels embedded into the concrete slab and brick cavity walls. The parapet coping is aluminum.

3. Chimney, Flues and Caps:

There are no chimneys or caps. Flue exhausts that service the hot water heaters for the Retail unit and Penthouse are manufactured by Centroflu and are 4" Innoflu Vent System vents manufactured from polypropylene, and exhaust on the roof. Units 2, 3 and 4 have dormant capped 4" Innoflu Vent System exhaust pipes in the boiler room duct that exhaust on the roof.

4. Balconies and Terraces:

There are 3 balconies on the rear façade at 3rd, 4th and 5th floors. They are composed of steel framing tied to the main floor beams holding a metal decking with 2-inch concrete slab.

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There are 2 terraces at the 6th floor penthouse apartment, one in the front façade one on the back. They are paved by porcelain tiles. The roof terrace is a concrete slab with stone paving on pedestals. It is accessible via the elevator and internal stairwell, has 2 hoses for plant watering and cleaning and common area for food preparation or other uses. Each residential unit has a designated private roof area designated a limited common element that is not separated by partitions. The designations and square footage can be seen on the attached plans. The limited common elements on the roof are permitted and in compliance with Zoning and Building Code.

Rooftop access is designed in compliance with 2014 NYC Fire Code, Section FC 504.4 (Rooftop Access).

(i) deck finish: 2'x2' Porcelain pavers manufactured by Archatrak. The terrace pavers are on adjustable pedestals.

(ii) balustrade (type, material): Architectural metal railings

(iii) railings (material): Painted steel ½" x ½" square bars or round located 4" on center. No ladder effect is created.

(iv) copings (material): Fire rated Mitsubishi panels

(v) soffits (material): Waterproofing with Stucco finish

(vi) doors to balconies & terraces: Doors to balconies and terraces are manufactured by Imperial Euro Windows Inc. and are made with factory glazed double insulated glass panes, wood framing and weather strips. There are no thermal break systems in door glass.

5. Exterior Entrances:

(i) Exterior Doors and Frames:

The primary entrance to the residential lobby from 3rd street has a single swing door with one fixed side pane toward the west. The primary entrance to the retail unit is the same brand and make yet has a double swing door. The middle bay on the ground floor between the residential entry and the retail entry is a fixed floor to ceiling storefront unit with the same make and model. Storefronts are

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manufactured by “Imperial Euro Windows” and are comprised of glazed double insulated glass panes and black aluminium framing. There are no thermal break systems in glass.

Continuous Hinge	MCK-FM300
Mortise Lock (storeroom)	AUR 8805FL MK
Surface Closer	4400
Threshold	255x5AFG
Gasketing	2891AS
Door Bottom	434ARL

There is an exit door at first floor. Hardware for this door manufactured by “McKinney” or approved equivalent, has a 1.5 hour fire rating and includes:

Continuous Hinge	MCK-FM300 Security Studs
Mortise Lock (storeroom)	7150F EO ECK1
Surface Closer	UNI8501 M
Threshold	255x5AFG
Gasketing	2891AS
Door Bottom	434ARL

(ii) Vestibule Doors & Frames: N/A

(iii) Exterior Stairs:
There is a concrete stair that leads from the rear yard to the cellar storage. It is a straight run with 16 risers.

(iv) Railings:
Railings made of 1 ½” x 1 ½” steel tube supported on 2” diameter steel pipes welded to bottom rail guard. No Ladder effect is created.

(v) Mail boxes:
Mail boxes for units made of heavy gauge aluminum construction and an approved standard by the US Postal Service. Mailing distributed by the USPS. Mail boxes are located in the lobby past the elevator entry. Mail box contains an outgoing mail slot.

(vi) Lighting:
Exterior lighting at front yard:

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There are 4 daylight Devaux Sconce fixures, manufactured by Restoration Hardware, with photosensors on the exterior façade. These are exterior grade, wall-mounted fixtures, finished in Lacquered Burnished Brass and can be equipped with LED or E26 bulbs.

6. Service Entrances: There is no service entrance. On 3rd street there are only two entries, the residential and the retail entry.

7. Roofing and Roof Structures:

(i) Type of Roofs All Areas:
Backyard above cellar storage, 5th floor terraces front and back and the 7th floor roof all are covered with insulated roofing assembly and porcelain pavings manufactured by Archatrak, on a pedestal system. The roof top terrace will be allocated as an accessory to residential space in the Certificate of Occupancy.

(a) material: The roofing membrane is Kemper V210 liquid, brush on membrane under the rigid insulation, directly applied on the concrete slab.

(b) insulation: R38 BATT insulation

(c) Surface Finish: 2'x2' Archatrak Porcelain Pavers on pedestals covers all the roof deck area, including the limited common elements. Arhatrak Porcelain Pavers are rated for outdoor use and daily foot traffic.

(d) Bond or Guarantee:
Roof warranty is provided by manufacturer, Sika Corporation, to cover everything needed in order to repair the roof or replace the whole roof to a new roof with same characteristics, including parts and labor. The time period for said warranty is ten (10) years from March, 2020. There is no bond posted for roof. The roof terrace pavers and installation are acceptable by the roof manufacturer to retain the roof warranty.

(e) Flashing Materials: Roof flashing has a metal flashing sheet metal made of aluminum .032.

(ii) Drains:

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(a) location, material, type: There are 6 cast iron drains provided, which discharge through internal leaders into the building storm systems. Cast iron drains have double inlets for overflow. The main roof has 2 roof drains, the 6th floor front terrace has 2 drains and the 6th floor rear terrace has 2 drains.

(b) gutters and leaders: There are no gutters or leaders. Balconies have ½" overhand with porcelain paver tiles.

(iii) Skylights: There are no skylights.

(iv) Bulkheads:
Stair and elevator bulkhead exterior walls are extensions of the light metal framing which starts at 5th floor and extends up to constitute the periphery of the bulkhead. The metal framing is insulated, waterproofed and covered with a stucco layer on the exterior. The interior walls consist of steel studs with two layers of G.B. fire code on stair side. The bulkhead contains a smoke release window, the stair door to the roof and the elevator door to the roof with a metal and glass canopy on the west façade. On the North façade, the bulkhead holds a metal ladder attached to the wall, accessing the AC condenser units on the roof of the bulkhead. In the back of the condensers there is an access door to the machine room of the elevator. The roofing of the bulkhead is the same roofing as others as described above yet does not have elevated pavers. Stair access to the roof complies with FC Chapter 10 for means of egress. Rooftop access is in compliance with 2014 NYC Fire Code, Section FC 504.4 (Rooftop Access).

(v) Metal Work at Roof Levels:

a) Exterior Metal stairs:
There is one vertical metal ladder to the AC condensing unit platform on top of the bulkhead made of painted steel. There are two vertical Firemen Access Ladders made of painted steel, one at the front 5th fl terrace and one at the back, accessing to the roof.

b) Vertical ladders, including gooseneck:
There is one vertical metal ladder to the AC condensing unit platform on top of the bulkhead made of painted steel. There are two vertical Firemen

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Access Ladders made of painted steel, one at the front 5th fl terrace and one at the back, accessing to the roof.

c) Railings: Painted steel ½" x ½" square bars or round located 4" on center. No ladder effect is created.

d) Hatches to Roof: There are no hatches to roof.

e) Other: HVAC mechanicals were installed on steel curb and placed on rubber pads to prevent vibration. All exterior metals, including fasteners, are corrosion resistant.

f) There is a residential entry canopy and a roof level elevator door canopy. Both canopies are made of steel and glass.

(vi) Rooftop Facilities: There are no rooftop facilities

8. Fire Escapes: N/A

9. Yards and Courts:

For the retail unit, there is a backyard finished in concrete. This area is not for occupancy.

(i) Paving: The retail backyard is finished in concrete.

(ii) Drainage: There are two (2) area cast iron drains with underground drain connected to building drainage system.

(iii) Railings: Any guard rails are made of 1 ½" x 1 ½" steel tubes. No Ladder effect is created

(iv) Stairs: There is a metal pan stair that leads from cellar storage to the back yard at first floor. It is a straight run with 16 risers.

(v) Fencing: N/A

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(vi) Walls: There will be retaining wall at rear portion of building cellar level. Retaining wall will provide support for the rear garden at grade. Wall will be made if 12" thick reinforced concrete and will be 10'-0" high. Water will be directed by two (2) cast iron drain outlets, one in each garden. Removable decking will allow access to drain for cleaning and maintenance.

10. Interior stairs:

(i) Number of stairs of each type:

a. Fire Stairs: There is one (1) interior, enclosed two-hour fire rated stairs constructed in metal pan with poured-in concrete treads and risers and metal handrails on both sides. Stair extends from lowest level at cellar floor to main roof. The egress stair is in compliance with NYC Building Code BC1009 for a stairway that serves an occupant load of 50 or less cumulative occupants for all stories and all other applicable NYC Building Code 2014 regulations.
b. Convenience Stair: There is one (1) convenience stair within the Penthouse unit, from Level 5 to Level 6. The convenience stairs have frames, stringers, guard rails, treads and balustrade manufactured from steel and wood risers. The convenience stair is in compliance with NYC Building Code 708.2, exception 1 and all other applicable NYC Building Code 2014 regulations.

(ii) Enclosure:

a. Enclosure of interior stairs made of 25 gauge steel studs, 16" on center with double layer of 5/8" fire code gypsum board on each side. Finish gypsum board spackled and painted. All doors at stair enclosure have a 1 ½ hour fire rating and have self-closing device.
b. There is no enclosure, the stairs are exposed with railings on one side and wall on the other side, made of painted gypsum board. .

(iii) Stair Construction:

a. Stair is made of steel pan stairs with reinforced cement fill.
b. Steel

(iv) Stringers:

a. Stringers are made of steel channels 1 ½" wide 12" deep and ¼" thick.
b. Steel

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(v) Treads:
- a. Reinforced cement 1 ½" thick.
- b. Steel with wood on top

(vi) Risers:
- a. Risers are made of steel pan ¼" thick and are approximately 7.5" high.
- b. Wood

(vii) Guard Rails:
- a. made of 1 ½" x 1 ½" steel tubes.
- b. Steel with wood accents

(viii) Balustrades:
- a. made of ½" round steel bars located 4" O.C.
- b. Steel

11. Interior Doors and Frames:

1. Manufacturer's

(i) Unit Entrance: No door, elevator opens into unit. 2 hour fire rating on elevator door.

a. Doors to bedrooms/bathrooms:
Free-hung wood door with marble saddle (at bathrooms only) finished with paint, manufactured by Masonite.

3 Hinge	Schoolhouse 3.5" x 3.5" or Pocket Door Hinge and Slide System
Lock	Nostalgic Warehouse Privacy Knob w/Classic Rosette or Emtek brass tubular square privacy pulls for pocket doors

b. Single Closet Door:
Solid wood door finished with paint or wood veneer, manufactured by Masonite.

3 Hinge	Schoolhouse 3.5" x 3.5"
Lock	None, Nostalgic Warehouse Knob w/Classic Rosette

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c. Individual Boiler Room Doors
Hollow metal door and frame made of 16 gauge sheet metal.
Door is manufactured by: "International Fire Door" or approved equal, 1.5 hour fire rating.

Door hardware includes:

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Mortise Lock (passage)	AUR 8801FL
1 Surface Closer	8501 M
1 Wall Stop	403
1 Threshold	as per architect detail
1 Gasketing	S773BL

(ii) Corridor doors and frames:
Hollow metal door and frame made of 16 gauge sheet metal.
Door is manufactured by: "International Fire Door" or approved equal, 1.5 hour fire rating.

Door hardware includes:

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Mortise Lock (passage)	AUR 8801FL
1 Surface Closer	8501 M
1 Wall Stop	403
1 Threshold	as per architect detail
1 Gasketing	S773BL

(iii) Stair hall doors and frames:
Hollow metal door and frame made of 16 gauge sheet metal.
Door is manufactured by: "International Fire Door" or approved equal.1.5 hour fire rating.

Door hardware includes:

3 Hinge	TA2714 4-1/2" x 4-1/2"
1 Mortise Lock (passage)	AUR 8801FL
1 Surface Closer	8501 M

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1 Wall Stop	403
1 Threshold	as per architect detail
1 Gasketing	S773BL

(iv) Roof doors, basement doors & frames:

a. Roof door,

Hollow metal door made of 16 gauge sheet metal, frame is made of 14 gauge sheet metal. “Ace Fire Door” or approved equal.1.5 hours fire rating.

Door hardware includes:	
Lockset	Detex Push Bar
Closer	Spring Hinge
Perimeter Seal	5050
Exit Alarm	Detex ECL230

b. Basement mechanical room, basement electrical room, storage rooms, and the gas meter room are all hollow metal door and frame made of 16 gauge sheet metal. Door is manufactured by: “International Fire Door” or approved equal with 1.5 hour fire rating.

Door hardware includes:	
3 Hinge	TA2714 4-1/2” x 4-1/2”
1 Mortise Lock (passage)	Schlage Mortise Lock
1 Surface Closer	8501 M
1 Wall Stop	403
1 Threshold	as per architect detail
1 Gasketing	S773B

12. Elevator

(i) There will be one newly installed gearless elevator in the building
(ii) Underslung Gearless elevator by Torin Drive International, with 3,500 pound capacity @ 200 F.P.M.
(iii) Elevator will be a machine room-less (MRL) elevator
(iv) Automatic controls
(v) The elevator will service floors cellar through roof level
(vi) Automatic front 3’-6” x 7’-0” metal sliding door with 2 hour fire rating opens directly into unit. Door equipment manufactured by GAL Manufacturing.

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(vii) Elevator control room is located in bulkhead above roof. Control equipment manufactured by Smartrise Engineering.

(viii) Elevators open directly into unit. Owners will have key fob which prevents unauthorized access to unit floors. Residents will have camera/video access to elevator, so they may observe elevator prior to calling it to user floor for pickup. Virtual doorman service will not have access to elevator controls, only the camera system. There is sufficient clearance on elevator frame within units for unit owners to install a zero clearance door for extra security if desired.

13. Elevator Cabs

(i) kind: Residential elevator cab custom manufactured by Standard Elevator System Ltd. and shall be in conformance with applicable all 2014 building code provisions.

(ii) Dimensions: 5'5" deep x 6' 9.5" wide x 8' high

(iii) Floor: 2'x2' Slate Grey Cornerstone Porcelain tiles

(iv) Walls: Brass

(v) Ceiling: Brass

(vi) Lighting: LED lighting installed by manufacturer

(vii) Alarm, safety system: Alarm buttons to be provided in elevator cab to activate alarm bells located in hoistway and alarm buzzer at remote location TBD and phone access to elevator monitoring company, as required by New York City Building Code. The management company will establish elevator maintenance contract.

I. Auxiliary Facilities:

1. Laundry Room: Laundry facilities will be provided for each Residential Unit with 1 electric ventless washer and 1 electric ventless dryer

2. Refuse Disposal:

i. Incinerator: None

ii. Compactor: None

iii. Refuse and recycling containers will be provided for in in compliance with NYC Building Code 1213.1, and under MDL

iv. Initial Storage Location: Refuse and recycling containers will be placed in front of building, on the south east side of building. Residents will be responsible for sorting and placing their own refuse and recycling in provided receptacles. Retail unit will be responsible for their own refuse and recycling disposal through their choice of private sanitation and recycling companies that service the area.

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v. Building superintendent will bring refuse and recycling to curb in accordance with regulations on all scheduled service days. Refuse and recycling pickup will be provided by NYC Department of Sanitation.

J. Plumbing and Drainage:

1. Water Supply:

Hot & cold-water piping shall be insulated throughout with copper fiberglass 1.5" thick for pipes up to 1.5" diameter and 2" thick for larger pipes, per code requirements.

(i) A 3" domestic water service with 3" meter and BFP with a curb valve connected to the city water main on 3rd Street. The water service extended to the Water Meter Room.

(ii) The water supply extended to a 4" sprinklered backflow preventer from which to cold supply connected to the sprinkler system.

(iii) Local domestic water heaters supply hot water to apartments. Hot water heater – A.O. Smith or approved equivalent. The sponsor reserves the right to provide hot water heater by different manufacturers, which are equal to or better than those listed above.

(iv) The domestic hot water temperature to all fixtures 120 deg. F.

(v) Flow conservation devices provided on wall water supplies to all showers.

(vi) Backflow preventer and vacuum breakers provided as required to protect the domestic water supply.

(vii) The cold, hot piping copper Type 1' with 95-5 solder joints and has been insulated to comply with NYS ECCC with 1.5" thick for pipe 1.5" diameter or less and 2" for larger pipe.

(viii) All water risers provided with control valves.

(ix) The water pressure in the domestic water system limited to 85 psi/g by means of pressure monitoring device (See section 4 below).

(x) Water conservation plumbing fixtures provided.
Main shut-off valve located at cellar in water service room.

2. Fire Protection System:

(i) 4" dedicated water with 4" double check detector assembly with bypass meter.

(ii) Sprinkler riser located in the designated shaft, serves the sprinkler system on each floor. The pipe material is black steel.

(iii) Sprinklers provided throughout the building except for residential toilet rooms and closets. The sprinkler system supplied from the sprinkler system riser.

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In all finished areas without ceilings, upright heads provided. In all finished areas with hung ceiling, the heads flush type concealed heads with plates. Approved sidewall type heads are also provided as permitted by NYC Building Code. The sprinkler system designed for light and ordinary hazard occupancy.

The secondary source of water supply provided from the sprinkler system flush type Siamese facing Vanderbilt Avenue.

3. Water Storage Tanks & Enclosures: N/A

4. Water Pressure and how maintained:
   i. Domestic water pressure is maintained by a duplex domestic booster pump system manufactured by Sico Systems Control Inc.
   ii. Domestic booster system shall maintain an operating Operating pressure 70-80 psi. Warranty is 12 months from date of shipment.

5. Sanitary Sewage system:
   (i) Complete Sanitary drainage system conveys all soil and waste from plumbing fixtures and drains. The sanitary system is designed for gravity flow through vented branches, stacks, and sanitary piping
   (ii) Sanitary piping above ground cast iron piping with no-hub fitting pipe.
   (iii) The building has a Liberty Pumps D3660LSG series Omnivore® 2 HP duplex grinder package, featuring LSG200-Series 2 hp Omnivore® grinder pumps. There is a 3-year manufacturer limited warranty that begins from purchase date, which was in August, 2019. Levin Engineering PLLC estimated annual energy consumption of the sewage pumps to be 536 kW/yr on 11/18/2019.
   (iv) The sanitary drainage flows to the city public sewer system.

6. Permits Required: Approval has been obtained from the NYC-DEP for one (1) combined 6" sanitary sewer and storm and one (1) 3" combined domestic water service on 3rd Street. Water connection approval #19081167 was attained on 10/18/2019 and Sewer connection approval #SCP-12242 was attained on 06/25/2019. Department of Transportation site connection work on 3rd Street was approved with permit #B01-2020016-A75 on 1/16/2020.

7. Storm Drainage System:

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(i) A storm water drainage system conveys storm water drainage from the building roof, and all paved areas into a Storm Detention Tank in the Cellar with 104 cubic feet capacity.

(ii) There shall be at least one (1) cast iron drain for each roof or paved drainage area. Drainage of roofs, yards and courts shall be in compliance with Sec 27.2027 HMC.

(iii) The piping material is cast iron with no-hub joints. An independent 6" sanitary sewer connects to the public combined sewer on 3rd Street. There are no catch basins on the site.

(iv) Eject or Sump Pumps: There are no eject or sump pumps as part of the storm drainage system. The elevator pit has a submersible sump pump manufactured by Liberty Pumps, model number ELV280HV-06. There is a 3-year manufacturer limited warranty that begins from purchase date, which was in August, 2019.

K. Heating

1. Domestic Hot Water: Domestic hot water for units 2, 3 and 4 are generated by individual electric water heaters, Voltex® Hybrid Electric Heat Pump 66-Gallon Water Heater, Model HPTU-66N or equivalent, with 10-year limited parts and tank warranty. Penthouse unit and retail unit are generated by individual natural gas water heaters, A. O. Smith BTH-120 60-Gallon water heater or equivalent, with 95% thermal efficiency and 3-year warranty. Hot water heaters are housed inside each unit in a separate mechanical room. The penthouse unit boiler room is located on the 6th floor rear terrace. The retail unit boiler room is located adjacent to the lobby. Unit 2, 3 and 4 boilers are located in boiler rooms adjacent to kitchens.

2. Individual Unit Heating: Heating of spaces within each unit provided by Mitsubishi Heat Pumps. All units have one (1) condensing unit, with appropriate number of air handlers located throughout the unit, with individual controls for each air handler. Penthouse unit has two (2) condensing units. The heating system is designed to maintain a temperature of 72 deg. F. indoor; when outdoor temperature is 5 deg. F. under normal conditions as per NYC ECCC Section 302.1. Condensing units will be placed on the bulkhead as per approved plans by the DOB, attached HVAC units schedule. Rooftop piping will be insulated as per NYC Building Code. HVAC mechanicals were installed on steel curb and placed on rubber pads to prevent vibration. Additionally, the Penthouse unit will have one (1) Stiebel Eltron CNS 100-1

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E Wall Mounted electric convection heater in the boiler room, located on the back terrace of floor 6 of Penthouse.

The Retail Unit will additionally have three (3) Stiebel Eltron CNS 100-1 E Wall Mounted electric convection heaters, one (1) located in the cellar bathroom and two (2) in Retail cellar storage.

3. Heating of Common Elements: The lobby has one (1) electric heater manufacturer Broan-NuTone model number 198 high capacity wall heaters. The cellar level common areas has one (1) Stiebel Eltron CNS 100-1 E Wall Mounted electric convection heater in the common hallway near mechanical rooms.

L. Gas Supply:

1. Natural gas is supplied by National Grid and utilized for cooking in residential units and for hot water heaters in retail unit and penthouse unit. Units 2, 3 and 4 have gas riser in boiler room, but an electric water heater was selected to allow for washer and dryer in same room.
2. Each residential unit has a separate gas riser and gas meter.
3. Piping: Black steel pipe

M. Air Conditioning

1. Cooling of spaces within each unit provided by Mitsubishi Heat Pumps. All units have one (1) condensing unit, with appropriate number of air handlers. except Penthouse unit has two (2) condensing units . Cooling system designed to maintain a temperature of 75 degrees F indoor, when outdoor temperature is 90 degrees F under normal conditions.

   Condensing units will be placed on the bulkhead as per approved plans by the DOB, attached HVAC units schedule. Rooftop piping will be insulated as per NYC Building Code. All exterior metals, including fasteners, are corrosion resistant. HVAC mechanicals were installed on steel curb and placed on rubber pads to prevent vibration.
2. Manufacturer of Cooling System: Specified air conditioning system is manufactured by Mitsubishi, models as tabulated below, with rated capacities as scheduled below or approved equal.

Unit	Nominal	Nominal	Nominal	Nominal	Outdoor Model	Indoor Model Number

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	Cooling Efficiency	Heating Efficiency	Cooling Capacity	Heating Capacity	Number	
Retail	14.2 EER 21 SEER	3.9 COP 21.0 HSPF	36,000	42,000	PUMY-P36NKMU1	PEFY-P36NMHU-E2 PLFY-P08NFMU-E
Unit 2	12.6 EER 20.2 SEER	3.8 COP 20.2 HSPF	48,000	54,000	PUMY-P48NKMU1	PMFY-P12NBMU-ER5 PEFY-P12NMSU-ER2
Unit 3	12.6 EER 20.2 SEER	3.8 COP 20.2 HSPF	48,000	54,000	PUMY-P48NKMU1	PMFY-P12NBMU-ER5 PEFY-P12NMSU-ER2
Unit 4	12.6 EER 20.2 SEER	3.8 COP 20.2 HSPF	48,000	54,000	PUMY-P48NKMU1	PMFY-P12NBMU-ER5 PEFY-P12NMSU-ER2
PH Floor 1	12.6 EER 20.2 SEER	3.8 COP 20.2 HSPF	48,000	54,00	PUMY-P48NKMU1	PMFY-P12NBMU-ER5 PEFY-P12NMSU-ER2
PH F Floor 2	14.2 EER 21.0 SEER	3.9 COP 21.0 HSPF	36,000	42,000	PUMY-P36NKMU1	PLFY-P15NFMU-E PLFY-P08NFMU-E

N. Ventilation

(i) Bathrooms: Bathrooms are provided with code compliant separate manually activated forced mechanical ventilation, manufactured by Panasonic Model #FV-0510VS1. Mechanical air volume exhaust options of 50, 80 and 100 CFM, with noise emission rating range of .3 - 1.3 Sones.. Unit 2, Unit 3, Unit 4 & PH master bathrooms on west side of building all have individual exhaust fans, which vent to a single exhaust duct vent along the west chase and travels to the roof. Unit 2, Unit 3, Unit 4 & PH small bathrooms along the east side of building and master bathroom on the 6th floor of penthouse,all have individual exhaust fans, which vent to a single exhaust duct vent along the east chase and goes to the roof. The retail bathroom in cellar level has an individual exhaust fan, which vents to the back yard through an exhaust duct.

(ii) Kitchens: Kitchens are provided with code compliant separate manually activated forced mechanical ventilation. For kitchens, minimum required mechanical ventilation by code is 120 cubic feet per minute. Unit 2, Unit 3, Unit 4 & PH all have gas stoves, with a single exhaust duct vent located along the west side chase, which goes to the roof and terminate immediately adjacent to the elevator bulkhead in the northerly direction.

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(iii) Clothes Dryers: Clothes washer and dryers are ventless.

(iv) Boiler Rooms: Retail Unit (1st floor mechanical room), Unit 2, Unit 3, Unit 4 and Penthouse all have 4" CPVC vent pipe to the roof, emanating from each individual boiler room. Unit 2, Unit 3 and Unit 4 have electric water heaters in boiler room, so the water heaters are not connected to the CPVC pipe.

(v) Basement & Mechanical Rooms: Gas meter room has a fresh air vent to the front of building, cellar hallway and retail storage room has exhaust vents that vent to backyard, in compliance with NYC code.

(vi) Elevator Shaft & Stairwell: Stairway enclosures and elevator shaft vents and other outdoor air intakes and exhaust openings integral to the building envelope shall be provided with dampers in accordance with Section C402.4.6 Loading dock weather seals.

O. Electrical System

(1) Electrical service provided by Con Edison Co. at 120-208V, 3 phase, 4 wire to electric service switch board and distribution panels throughout the building. The service as follows:
   a) Electric Panels 1,2,3 each with capacity of 200 amps for apartment units
   b) Electric Panels PH with capacity of 200 amps for Penthouse duplex apartment
   c) All apartment units: 42 circuits, 1208124 circuit panel – 20 amps, 30 amps and 208 Volts for circuits for Air Conditioners and Electric Dryers.
   d) Electric Panel HPP is 200 amps, 42 circuit, 4 wire
   e) AFCI & GFCI are provided as per applicable NEC requirements.

(2) The service to each residential unit 60hz. 120/208V Ac, 3 wire. Electric service supplied to each residential unit via tenants' meter located in the electrical room at the Cellar.

(3) The main service equipment to be on fuse-able switches as required by code: 1200 or larger ampere switches shall be bolted pressure switches for service use. Main fuses vary in rating the size of fuses shall be to suit the loads served.

(4) All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the NYC electrical code.

(5) Adequacy:
   (i) Service:
      - Switched lighting fixture provided in bathrooms, walk-in closets, foyers and kitchens. Switched receptacles are provided in bedrooms.

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Fixtures are incandescent type in foyers, dining areas, walk-in closets and kitchens.

- 20 amp, 120v circuits have been provided to handle lighting and general-purpose receptacles.
- 20 amp, 120V circuits have been provided in the kitchen area for 120V kitchen appliances.
- All electrical systems are code compliant with NYC 2014 Building code and new and adequate to handle modern appliances and usage.

(ii) Lighting and Fixtures:

Lighting used for units consists of a combination of recessed, pendant and sconce light fixtures. All recessed LED fixtures are Topaz LED slim recessed downlighting, in 4" (Model #RDL/4RND/9/CTS) and 6" (Model #RDL/6RND/12/CTS) sizes.

Retail Unit:

- Min (8) Recessed ceiling mounted LED fixtures.

Residential Units:

- 2nd, 3rd and 4th floor units: (27) recessed LED light fixtures, (2) pendant lights over kitchen island, (2) wall sconces in Master bedroom and (1) wall sconce in small bathroom.
- Penthouse Unit Lower Level: (36) recessed LED light fixtures, (2) pendant light fixtures over kitchen island, (2) wall sconces in Master bedroom and (1) wall sconce in small bathroom.
- Penthouse Unit Higher Level: (17) recessed LED light fixtures, (1) pendant light above stairwell and (2) wall sconces in Master bedroom.

Balconies & Terraces:

All balconies and terraces have Breakwater Bay Anderson Outdoor Wall Lantern wall mounted sconces. Balconies have (1) sconce and terraces have (1) sconce and roof deck terrace has (3) sconces

(iii) Convenience outlets, appliance outlets:

- Receptacles are provided in all rooms (average four (4) per room). Ground fault circuits are provided in bathrooms. Tamper resistant receptacles will be provided for children play areas.
- Water resistant GFI receptacles will be used for exterior areas.

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- 3-way switch will be installed only for the stairs light fixture on duplex apartment.
- No backup emergency generator will be provided.

P. Intercommunication and/or door signal systems, security closed circuit tv:

1. Camera coverage to be located as follows: Intercom/lobby entrance, lobby, elevator, Residential Storage area and roof deck.
   (i) All camera footage will be recorded with equipment to be located in the telecommunication closet in the lobby. Elevator video will be available to residents in real-time for elevator access safety.
   (ii) There will be an exterior intercom system, with a 24 hour virtual doorman service available for resident deliveries, guests and lost key fob.
   (iii) Residential tenants will be presented with an electronic key fob for access at the Residential Lobby glass entrance doors
   (iv) Elevator access will be provided directly to each residential unit. Owners/Residents will have key fob which prevents unauthorized access to unit floors. Residents will have camera/video access to elevator, so they may observe elevator prior to calling it to user floor for pickup. Virtual doorman service will not have access to elevator controls, only the camera system. See Section H-12 for elevator and entrance details.
   (v) Residential tenants will be presented with an electronic key fob for accessing package closet in the lobby.
   (vi) A service provider will provide virtual doorman and other video replay services

Intercom & video cameras: Manufacturer: Siedel
Apartment Station Model: Siedle Standard Bus Video Panel BVPS 850-0
Camera Model: ALI-NS2013VR

Q. Public Area Lighting

(i) Public areas shall be provided with artificial lighting as required by code. All common areas on lobby level and cellar have recessed ceiling mounted LED fixtures. Recessed LED fixtures are Topaz LED slim recessed downlighting, in 4" (Model #RDL/4RND/9/CTS) and 6" (Model #RDL/6RND/12/CTS) sizes. There is a ceiling mounted incandescent decorative pendant at lobby entry foyer and 2 decorative sconce lights at the entrance to the elevator in the lobby. The roofdeck has three (3) Breakwater Bay Anderson Outdoor Wall Lantern wall mounted sconces, with automatic photosensors.

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(ii) All public egress areas in cellar, lobby and internal egress stairwell have emergency battery backup flood lights, that automatically turn on in case of power outages, with 90 minutes of minimum operation with backup power, as well as battery operated directional exit signs. There are a minimum of five (5) emergency backup lights in cellar and lobby level and nine (9) emergency backup lights in egress stairwell, Manufactured by Emergi-Lite, model number 8NY-2/3R-LED-N. The internal egress stair has surface mounted utility type LED fixtures on each landing, manufactured by RAB (model TreadSafe-2' LED Stairwell Lights). There are 14 fixtures in total. The bulb is a 2815 watts LED light bulb with 3500-4000Kk light color. The egress stairs lighting and public area and egress lighting, comply with all 2014 NYC Building Code, including lighting requirements found in Section 1006 of Chapter 10.

R. Garages and Parking Areas: N/A

S. Swimming Pool(s): N/A

T. Tennis Courts, playgrounds and recreational facilities:

(i) Tennis Courts: N/A
(ii) Playgrounds: N/A
(iii) Other Recreational Facilities: N/A

U. Permits and certificates:

(i) The following permits will be obtained prior to construction sign-off and issuance of Certificate of Occupancy:
1. Building Construction Permits
2. Elevator Installation Permit
3. Electrical Permits
4. Plumbing Permits
5. Mechanical Permits

(ii) The following inspections will be conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy:
- Construction
- Structure
- Elevator
- Mechanical and Plumbing
- Boiler
- Electrical

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- Air Resources
- Fire Department

(iii) Government agencies affiliated with review and approval for Certificate of Occupancy include: Department of Buildings, Parks Department, Department of Highway, Attorney General, Department of Finance, and Department of Transportation.

(iv) Special inspections for this job were performed by City-wide Testing, inc. for mechanical systems and sprinkler systems. Progress inspection for this job were performed by City-wide Testing, inc. for concrete, masonry, soils, excavation, site storm drainage disposal and detention system installation, fire stopping, draft-stop and fire blocking systems. Progress inspections for this job were performed by City-wide Testing, inc. for HVAC systems. Progress reports for protection of foundation insulation, insulation placement and R values, fenestration thermal values and ratings, air leakage, fenestration areas, air sealing and insulation, vestibules, electrical metering, lighting in dwelling units, interior lighting power, exterior lighting power, lighting controls, exit signs, maintenance information, and energy code compliance were performed by Studio Vural, architect of record.

(v) The following inspections shall be performed periodically after the building is in operation:

- Elevator: Annual and 5-year load test
- Facade Inspection Program (Local Law 11): Facades shall be inspected by a registered architect or professional engineer every 5 years.
- Sprinkler System: Monthly Sprinkler inspections and 5-year Fire Department flow test and sprinkler siamese connections hydrostatic tests
- Back Flow Preventer: Annually
- Fire Alarm: Semiannual inspection
- Split HVAC Heating/Cooling: FDNY Fire Code 606, rooftop condensers annual FDNY permit fee, subject to annual inspections
- NFPA 10: Annual portable fire extinguisher inspections

V. Violation: Sponsor will cure any outstanding violations prior to unit closings.

W. Unit Information:

See Schedule A for Unit Types identifying number, bedrooms, and baths; for other rooms see unit plans attached. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, (i)



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columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Residential Units, where provided are not deducted from the measurement of each Residential Unit; and (ii) elevator shafts, exit corridors and stairwells on full floor unit floors are not deducted from the measurement of each Residential Unit. Each Residential Unit consists of the area measured vertically from the top of the finished floor to the underside of the finished ceiling. Each terrace/loggia includes the parapet. The Retail Unit is measured horizontally from the exterior face of the exterior walls (perimeter columns and mechanical shafts are included), to the centerline of any partitions (including concealed metal studs, blockwork, masonry, columns, and mechanical pipes and ducts and their enclosures within these partitions) separating the Unit from the residential lobby, from stairs, from elevators and other mechanical equipment or shaft spaces and includes niche areas. Each retail Unit is measured vertically from the top of the finish floor to the underside of the finished ceiling.

1. Residential Unit Finish Materials: All finishes are subject to Sponsor's right to substitute finishes of equal or better quality recognized by industry standards for performance, efficiency, longevity and/or other classifications as applicable.
    i. Living Rooms, Dining Rooms, Kitchens, Entry Foyers, and Bedrooms
        1. Ceilings are to be painted gypsum board, with 2 coats of Benjamin Moore Sure Seal Primer and 2 finish coats of Benjamin Moore Ultra Spec 500 paint (grade Medium).
        2. Walls are to be painted gypsum board with painted base molding made of wood, with 2 coats of Benjamin Moore Sure Seal Primer and 2 finish coats of Benjamin Moore Ultra Spec 500 paint (grade Medium). Where applicable, marble herringbone tiling will be used as backsplash in kitchens. Kitchen cabinetry to be made of wood, manufactured by Design Craft, and finished in white icing color. Countertops to be made of quartz.
        3. Floors to be solid 6" wide select grade white oak, sanded, protected with Miniwax Water Based Polycrylic and finished with Miniwax Pickled Oak 260 finish, tongue in groove and ¾" thickness, manufactured by Montimber International (Louisiana)
    ii. Small Bathrooms (Floors 2, 3, 4, 5)
        1. Ceilings are to be painted gypsum board, with 4 finish coats of Benjamin Moore Moore Aura paint (grade Best).
        2. Walls are to be tiled with porcelain subway tiles. Vanity to be made of wood, manufactured by Design Craft, and finished in white icing color. Countertops to be made of quartz.
        3. Floors to be tiled with porcelain mosaic tiles

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iii. ADA Master Bathrooms (Floors, 2,3,4)

1. Ceilings are to be painted gypsum board, with 4 finish coats of Benjamin Moore Moore Aura paint (grade Best).
2. Walls are to be tiled with 1'X2' porcelain tiles, painted shiplap and painted gypsum board, with 4 finish coats of Benjamin Moore Moore Aura paint (grade Best). Bathroom vanity to be made of wood, manufactured by Design Craft, and finished in white icing color. Countertops to be made of quartz.
3. Floors are to be 8" square cement tiles, ⅝" thick. Tiles should be sealed annually or more often, dependent on use to avoid staining or discoloration. Distributer recommends miracle sealants 511 porous plus, Mapei flexcolor cq should for grout and mapei ultralite for mortar.

iv. Master Bathrooms (Floor 5, Floor 6)

1. Ceilings are to be painted gypsum board, with 4 finish coats of Benjamin Moore Moore Aura paint (grade Best).
2. Walls are to be tiled with 1'X2' marble tiles, painted shiplap and painted gypsum board, with 4 finish coats of Benjamin Moore Moore Aura paint (grade Best). Bathroom vanity to be made of wood, manufactured by Design Craft, and finished in white icing color. Countertops to be made of quartz. Marble tiles in steam shower should be sealed annually or more frequently, dependent on usage of steam shower, to avoid marble staining or discoloration.
3. Floors are to be 8" square cement tiles, ⅝" thick. Tiles should be sealed annually or more often, dependent on use to avoid staining or discoloration. Distributer recommends miracle sealants 511 porous plus, Mapei flexcolor cq should for grout and mapei ultralite for mortar.

2. Bathroom Fixtures: All fixtures are subject to sponsor's right to substitute fixture of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or other classifications as applicable.

Unit	Room	Tub Type	Lav. Vanity	Toilet	Shower

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Unit 2	ADA Master	N/A	Double Lav. PB-03 Vanity M1	PB-05	PB-07 PB-08 PB-11
	Small Bath	PB-01	Single Lav. PB-04 Vanity M2	PB-05	PB-06
Unit 3	ADA Master	N/A	Double Lav. PB-03 Vanity M1	PB-05	PB-07 PB-08 PB-11
	Small Bath	PB-01	Single Lav. PB-04 Vanity M2	PB-05	PB-06
Unit 4	ADA Master	N/A	Double Lav. PB-03 Vanity M1	PB-05	PB-07 PB-08 PB-11
	Small Bath	PB-01	Single Lav. PB-04 Vanity M2	PB-05	PB-06
Unit PH	ADA Master	N/A	Double Lav. PB-03 Vanity M1	PB-05	PB-07 PB-08 PB-11
	Small Bath	PB-01	Single Lav. PB-04 Vanity M2	PB-05	PB-06
	Master Bath	PB-02	Double Lav. PB-03 Vanity M1	PB-05	PB-07 PB-08 PB-09 PB-11

Legend:

PB01	60” porcelain drop-in Bathtub, Maax
PB02	59” Freestanding Bathtub, Barclay
PB03	Undercounter porcelain, Lacava Cube 5452UN

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PB04	Small porcelain undermount sink
PB05	Wall Hung Toilet, Toto
PB06	Phylrich #DPB2130 Wall mounted shower head, brass
PB07	Phylrich 12” round ceiling mounted shower head, brass
PB08	Phylrich Hand held shower with hose and wall mount bracket, brass
PB09	Thermasol Steam shower
PB11	Glasscrafters Metropolis Series shower door
M1	Custom quartz vanity top with two (2) undermount sinks, double vanity made of wood and manufactured by Design Craft, brass Phylrich fixtures
M2	Custom quartz vanity top with one (1) undermount sinks, single vanity made of wood and manufactured by Design Craft, brass Phylrich fixtures

3. Kitchen and Laundry Equipment:

All equipment is subject to sponsor’s right to substitute equipment of comparable or better quality as recognized by industry standards for performance, efficiency, longevity and/or other classifications as applicable. Kitchen cabinetry to be made of wood, manufactured by Design Craft, and finished in white icing color. Countertops to be made of quartz.

Unit	Refrig	Range	Hood	Sink	Micro.	DW	W/D	Bev
Unit 2	AP01	AP02	AP04	PB09	AP11	AP06	AP07 AP08	AP09
Unit 3	AP01	AP02	AP04	PB09	AP11	AP06	AP07 AP08	AP09
Unit 4	AP01	AP02	AP04	PB09	AP11	AP06	AP07 AP08	AP09
Unit PH	AP03	AP02	AP04	PB09	AP11	AP06	AP07 AP08	AP09

Legend:

AP01	Cafe 36” Refrigerator/Freezer,counter depth,french doors, over and under-white
AP02	Cafe 30" SlideIn DualFuel Double Oven with Convection Range-white, and pot filler
AP03	Cafe 33” Refrigerator/Freezer,counter depth,french doors, over and under-white

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AP04	30" Best Insert Hood within cabinet
AP06	24” Bosch Dishwasher with custom overlay
AP07	24” Bosch Ventless Washing Machine with mounting kit-white
AP08	24” Bosch Ventless Drying Machine with mounting kit-white
AP09	12” Summit undercounter beverage center, glass and stainless steel
AP11	Cafe Countertop Convection/Smart Microwave, white
PB09	Elkay Fireclay 297/8" 30” single bowl farmhouse sink, brass fixtures

X. Finish schedule of spaces other than Residential Units:

All painted surfaces in this section are finished with 2 coats of Benjamin Moore Sure Seal Primer and 2 finish coats of Benjamin Moore Ultra Spec 500 pain (grade Medium).

i. Cellar Level Residential Storage:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

ii. Cellar Level Pump & Mechanical Room:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

iii. Cellar Level Water & Gas Service Room:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

iv. Cellar Level Elevator & Electrical Room:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

v. Cellar Level Corridor:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

vi. Cellar Level Retail Storage:
   a. Floor: Concrete
   b. Walls: Painted Gypsum
   c. Ceiling: Painted Gypsum

vii. Cellar Level Retail Bath:

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a. Floor: Concrete
b. Walls: Painted Gypsum
c. Ceiling: Painted Gypsum
d. Two-piece standard Kohler toilet with wall mounted small sink

viii. Level 1 Lobby:
a. Floor: 8”x8” Cement tiles in entry foyer, 2’x2’ Slate Grey Cornerstone Porcelain tiles throughout rest of lobby. Cement tiles should be sealed annually or more often, dependent on use to avoid staining or discoloration. Manufacturer recommends miracle sealants 511 porous plus, Mapei flexcolor cq should for grout and mapei ultralite for mortar.
b. Walls: Painted Gypsum with wood molding accents
c. Ceiling: Tin ceiling in entry foyer, Painted Gypsum throughout rest of lobby

ix. Level 1 Lobby Telecommunications Room:
a. Floor: 2’x2’ Slate Grey Cornerstone Porcelain tiles
b. Walls: Painted Gypsum
c. Ceiling: Painted Gypsum

ii. Level 1 Retail Unit:
a. Floor: 1’x2’ Porcelain tiles
b. Walls: Painted Gypsum
c. Ceiling: Painted Gypsum

Y. Safety and Warning Devices:

1. An automatic fire alarm system will be provided, and consist of a digital, addressable Fire Alarm Panel located on Level 1 with final location TBD and as required by NYC Fire Department. The system shall interface with the sprinkler system and be capable of monitoring water flow and tamper switches in the building.
2. Area smoke detection shall be provided for the fire pump room, water and gas service room, electrical room, elevator control room, Resident Lobby, top of elevator shaft, top of stairs.
3. Each residential unit contains combined smoke/carbon monoxide detectors located in the vicinity of the bedrooms and kitchen. Manufacturer: 1st Alert, Model # SCO1BN or equal. The detector is wired to a 120V local power supply and is self contained with its own sounding device with battery backup. Maintenance of safety and warning devices is the responsibility of the unit owner.
4. The Fire Alarm Control Panel will be tied to a central monitoring station via two dedicated telephone lines.
5. Manual fire Alarm Pull Stations will be located by the Fire Alarm Panel in the Residential Lobby

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Z. Additional Information Required:

1. Site Plan: See attached floor plans for Site Plan
2. Area Map: Condominium is in a highly urban area, no area map required.
3. Floor Plans: See attached floor plans
4. Floor to Ceiling heights of units (note heights are reflective of majority of specified area, with lower locations within each area depending on soffited mechanicals or structural elements):

a. Retail Unit 1:
   i. Approximately 8’ 2”

b. Residential Unit 2:
   i. Approximately 9’ 2” @ Living, bedrooms & kitchen
   ii. Approximately 8’4” @ hallways
   iii. Approximately 8’ @ bathrooms
   iv. Approximately 7’8” @ mechanical room

c. Residential Unit 3:
   i. Approximately 9’ 2” @ Living, bedrooms & kitchen
   ii. Approximately 8’4” @ hallways
   iii. Approximately 8’ @ bathrooms
   iv. Approximately 7’8” @ mechanical room

d. Residential Unit 4:
   i. Approximately 9’ 2” @ Living, bedrooms & kitchen
   ii. Approximately 8’4” @ hallways
   iii. Approximately 8’ @ bathrooms
   iv. Approximately 7’8” @ mechanical room

e. Residential Unit PH (Floor 5):
   i. Approximately 9’2” @ Living room & Kitchen
   ii. Approximately 9’2” @ Hallways
   iii. Approximately 8’2” @ small bathroom
   iv. Approximately 9’2” @ bedrooms & master bathroom

f. Residential Unit PH (Floor 6):
   i. Approximately 10’ @ bedrooms and hallways
   ii. Approximately 8’8’ @ bathrooms

5. Approximate total area of each unit: See attached floor plans

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6. Master floor plan: See attached floor plans that represent each full floor and indicate unit boundaries and relationships of units to each other.
   (ac) Asbestos Project Completion Form, ACP5, dated 6/1/2017, has been received by the NYC DEP certifying asbestos abatement work is complete for the entire building.
   (ad) Lead Based Paint: the finished building will not have exposed lead-based paint finishes.
7. At or subsequent to the First Closing, Sponsor will deliver to the Condominium Board copies of the following documents, as applicable, and as otherwise in Sponsor's possession:
   a. Operating and maintenance manuals for mechanical equipment
   b. Electronic Systems Manuals, as applicable
   c. Major equipment startup sheets
   d. Original test and balance report for HVAC system

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Selim Vural

Sworn before me this 30th day

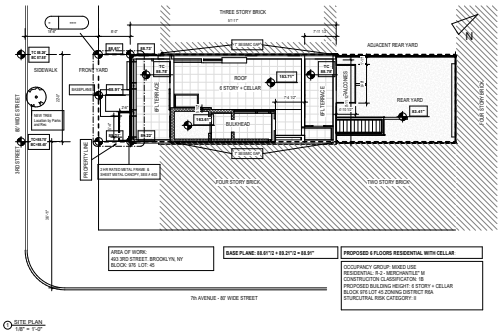
Of January, 2020

Notary Public

NATASHA KALIF BELLES
NOTARY PUBLIC-STATE OF NEW YORK
No. 01KA6399160
Qualified in Kings County
My Commission Expires 10-15-2023

REGISTERED ARCHITECT
SELIM VURAL
038117
STATE OF NEW YORK

FLOOR PLANS



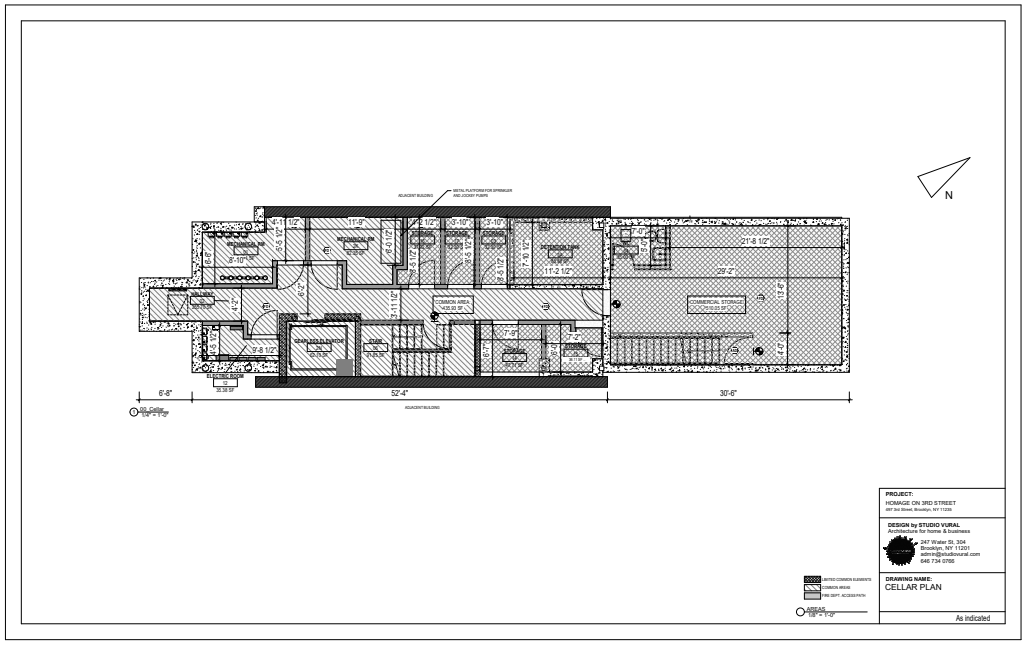
1 SITE PLAN
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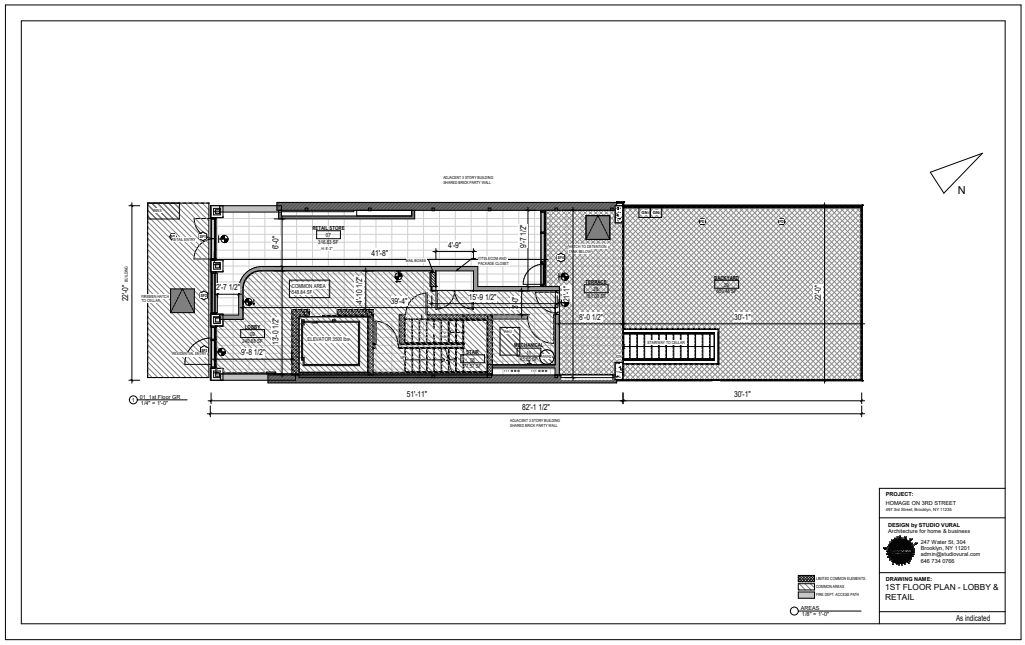
PROJECT:
HOMAGE ON 3RD STREET
467 3rd Street, Brooklyn, NY 11215

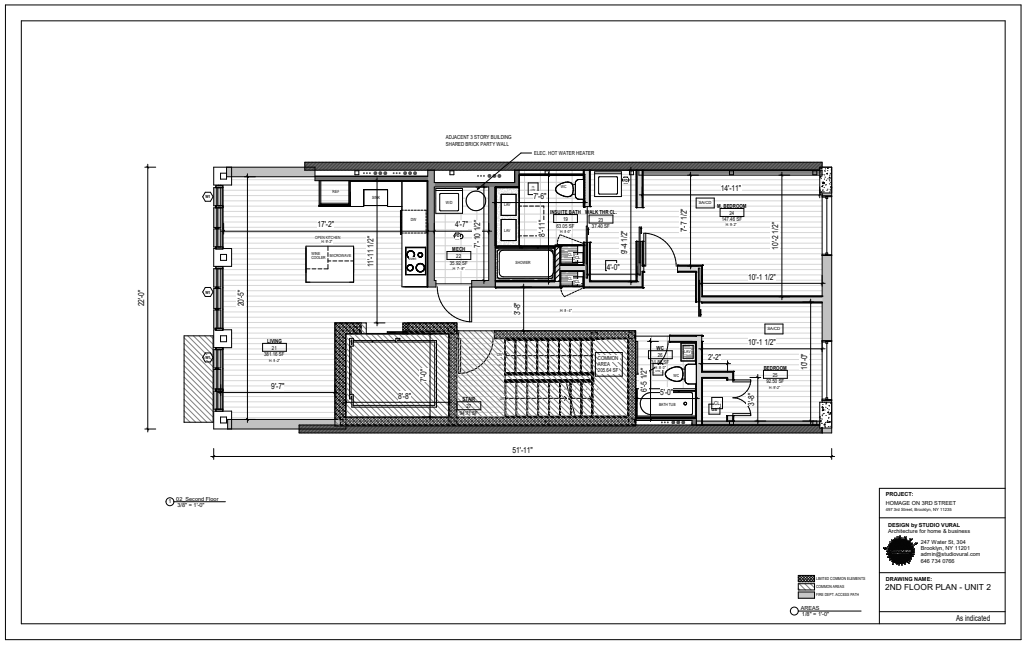
DESIGN by STUDIO VURAL
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Brooklyn, NY 11201
info@studiovural.com
646 734 0765

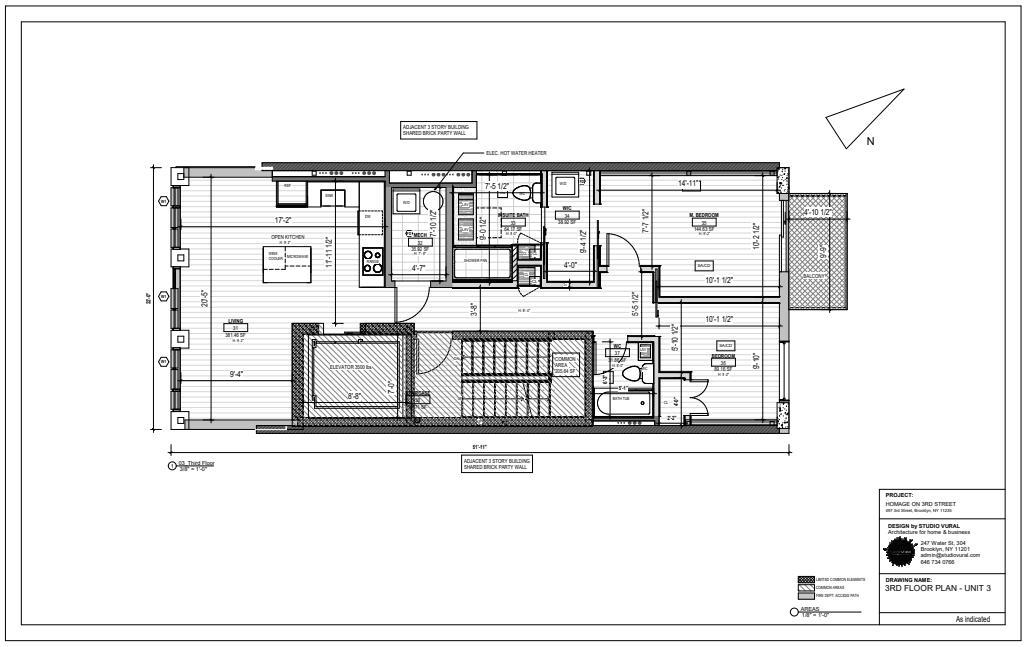
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SITE PLAN

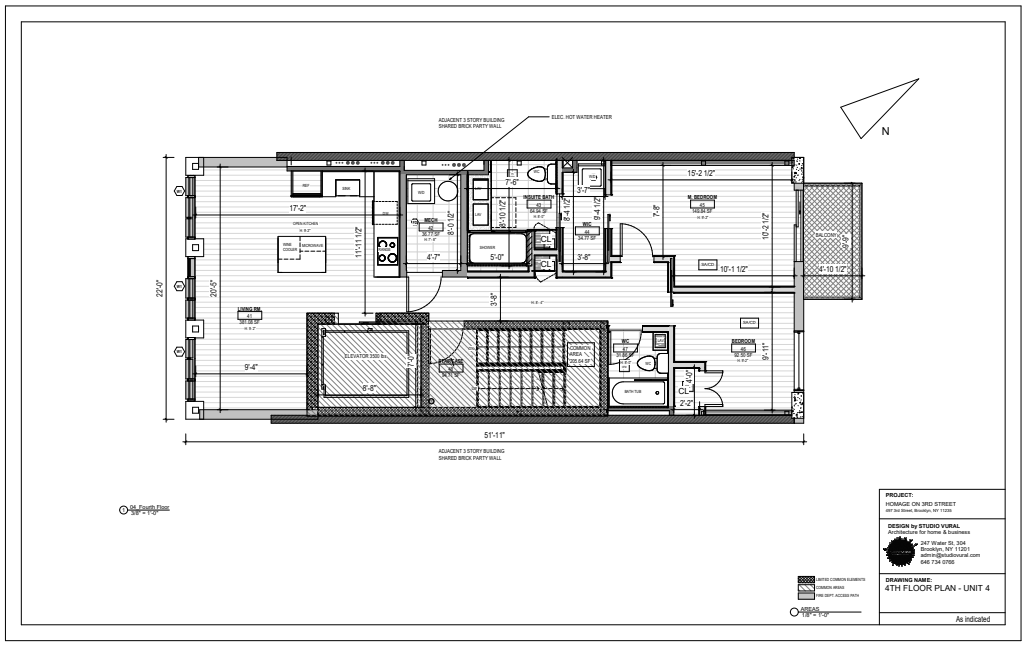
1/8" = 1'-0"


N
6'-8"
52'-4"
30'-6"
PROJECT:
HOMAGE ON 3RD STREET
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Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
CELLAR PLAN
As indicated


ADJACENT 3 STORY BUILDING
SHARED BRICK PARTY WALL
N
RETAIL STORE
COMMON AREA
LOBBY
STAIR
ELEVATOR
BASEMENT
STORAGE
41'-6"
4'-9"
39'-4"
115'-9 1/2"
51'-11"
30'-1"
82'-1 1/2"
22'-0"
01 1st Floor GR
1/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
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Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
1ST FLOOR PLAN - LOBBY & RETAIL
As indicated
LIMITED COMMON ELEMENTS
COMMON AREAS
FIRE DEPT. ACCESS PATH
AREAS
1/8" = 1'-0"


ADJACENT 3 STORY BUILDING
SHARED BRICK PARTY WALL
ELEC. HOT WATER HEATER
22'-0"
20'-5"
51'-11"
17'-2"
14'-11"
10'-1 1/2"
9'-7"
2'-2"
10'-6"
LIVING
BEDROOM
BEDROOM
SALES
SALES
SALES
COMMON
WIRING
AREA
2ND Second Floor
3/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
DESIGN by STUDIO VURAL
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Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
2ND FLOOR PLAN - UNIT 2
As indicated


ADJACENT 3 STORY BUILDING
SHARED BRICK PARTY WALL
ELEC. HOT WATER HEATER
N
17'-2"
OPEN KITCHEN
11'-11 1/2"
20'-3"
9'-4"
LIVING
7'-10 1/2"
4'-7"
7'-6 1/2"
HALF BATH
9'-0 1/2"
3'-8"
4'-0"
9'-4 1/2"
7'-7 1/2"
14'-11"
N. BEDROOM
10'-2 1/2"
4'-10 1/2"
19'-9"
BALCONY
10'-1 1/2"
10'-1 1/2"
6'-5 1/2"
9'-10 1/2"
BEDROOM
9'-9"
LINEN
WIC
2'-4"
ELEVATOR 3000 lbs
7'-0"
3'-6"
3'-8"
CORRIDOR
2'-0"
91'-11"
39'-8"
ADJACENT 3 STORY BUILDING
SHARED BRICK PARTY WALL
03 Third Floor
3/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
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Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
3RD FLOOR PLAN - UNIT 3
As indicated
AREAS
1/8" = 1'-0"



1 04_Fourth Floor
3/8" = 1'-0"

PROJECT:
HOMAGE ON 3RD STREET
297 3rd Street, Brooklyn, NY 11215

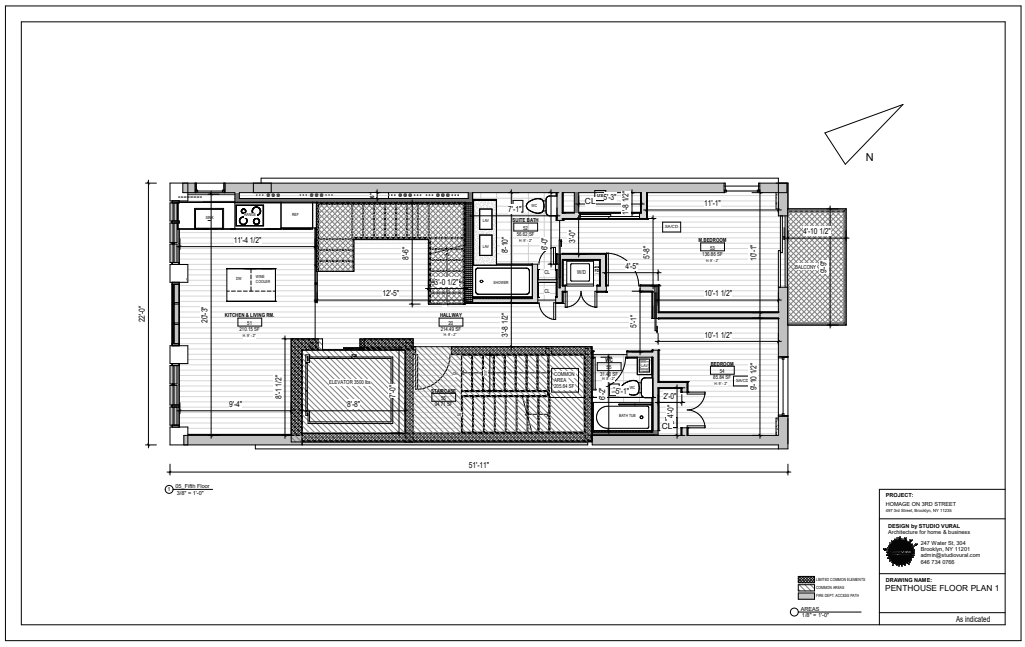
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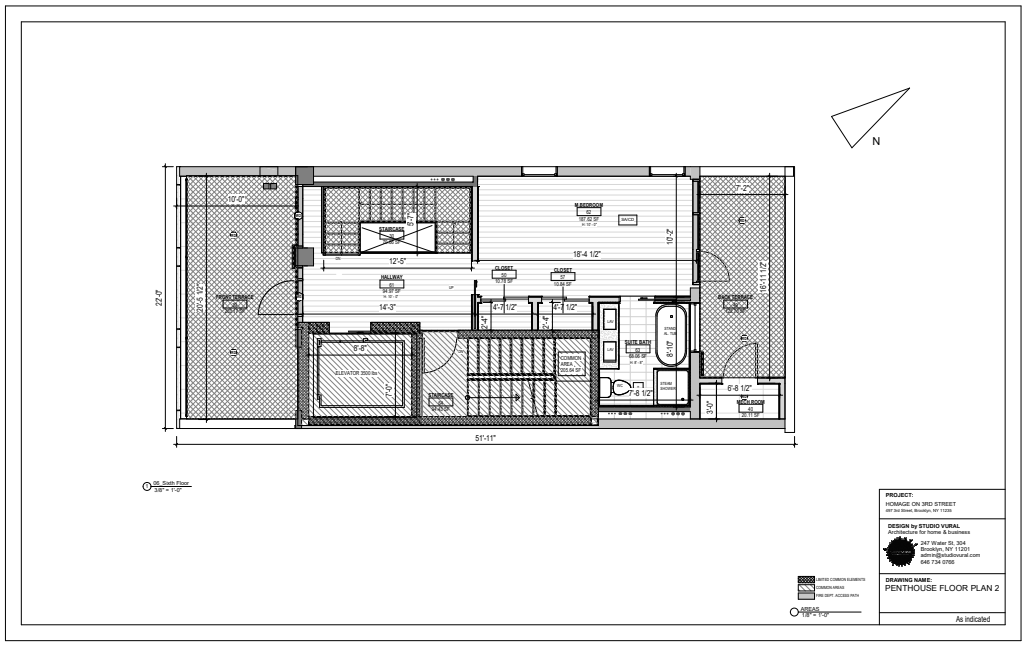
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4TH FLOOR PLAN - UNIT 4

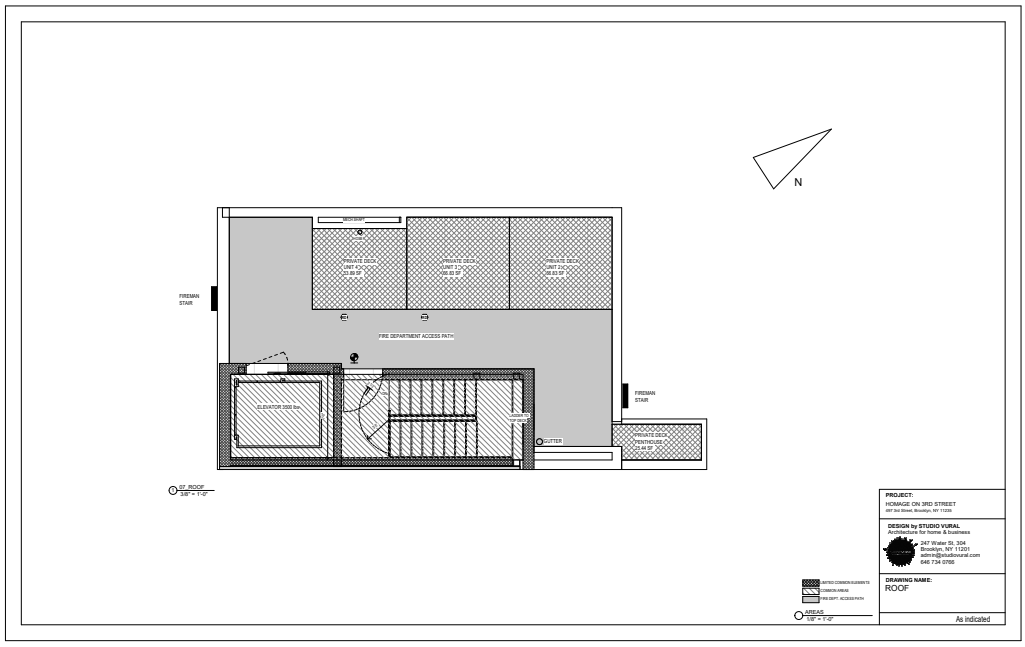
As indicated

RATED COMMON ELEMENTS
COMMON AREAS
FIRE DEPT. ACCESS PATH

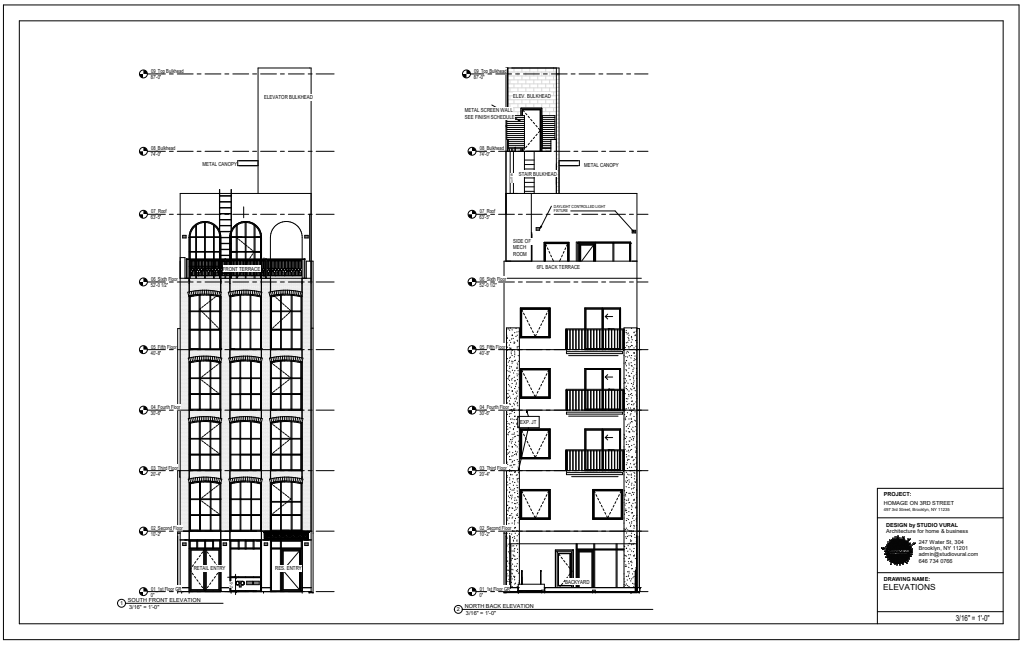
WALLS
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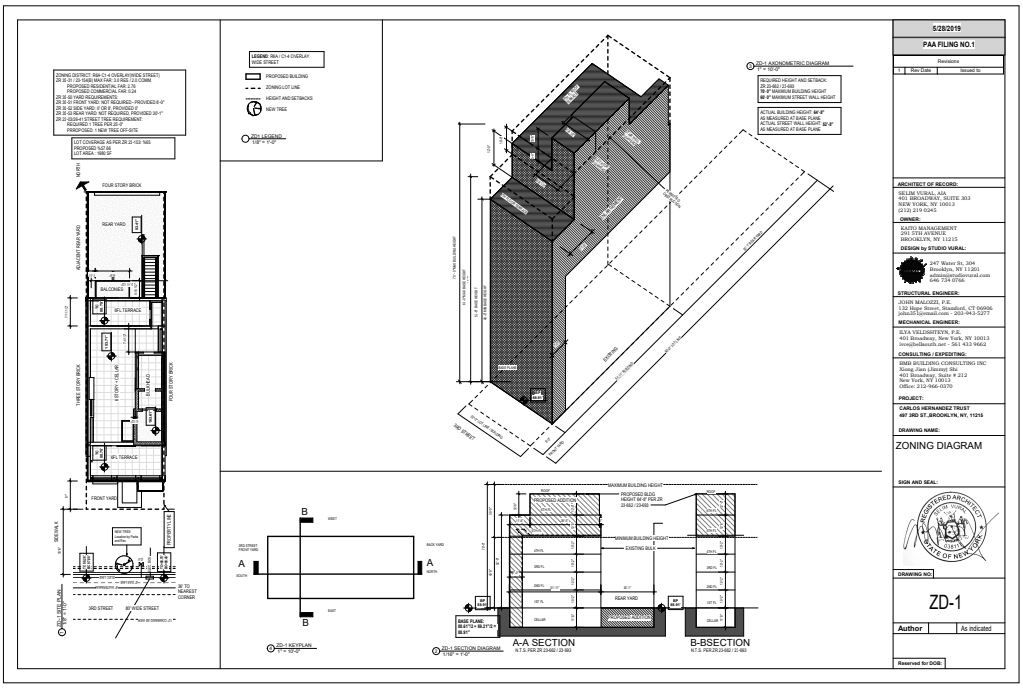

N
11'-4 1/2"
12'-6"
20'-0 1/2"
8'-6"
KITCHEN & LIVING RM.
HALLWAY
ELEVATOR 3500 lbs.
STAIRCASE
CLOSET
LINEN
WASHER
DRYER
SHOWER
BATH TUB
WASHROOM
BEDROOM
BEDROOM
BALCONY
4'-10 1/2"
10'-1 1/2"
10'-1 1/2"
9'-10 1/2"
51'-11"
22'-0"
20'-3"
9'-4"
8'-1 1/2"
11'-0"
8'-6"
7'-1"
3'-0"
4'-5"
10'-1"
5'-9"
2'-0"
5'-1"
3'-1/2"
PROJECT:
HOMAGE ON 3RD STREET
DESIGN by STUDIO VURAL
Architecture for home & business
247 Water St. 304
Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
PENTHOUSE FLOOR PLAN 1
As indicated


N
10'-0"
22'-0"
PRIVATE TERRACE
12'-5"
STAIRCASE
HALLWAY
14'-3"
BEDROOM
SMOKE DET.
18'-4 1/2"
10'-2"
CLOSET
CLOSET
4'-1 1/2"
4'-1 1/2"
2'-4"
2'-4"
9'-8"
ELEVATOR 3500 lbs
7'-5"
STAIRCASE
STORAGE AREA
SUITE BATH
5'-10"
7'-8 1/2"
STEAM SHOWER
7'-7"
PRIVATE TERRACE
16'-11 1/2"
8'-8 1/2"
3'-0"
PATIO ROOF
51'-11"
05_Sixth Floor
3/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
297 3rd Street, Brooklyn, NY 11215
DESIGN by STUDIO VURAL
Architecture for home & business
247 Water St. 304
Brooklyn, NY 11201
admin@studiovural.com
646 734 0765
DRAWING NAME:
PENTHOUSE FLOOR PLAN 2
As indicated
AMTED COMMON ELEMENTS
COMMON AREAS
FIRE DEPT. ACCESS PATH
AREAS
1/8" = 1'-0"


N
FIREMAN STAIR
PRIVATE DECK
PRIVATE DECK
PRIVATE DECK
FIRE DEPARTMENT ACCESS PATH
ELEVATOR 3000 lbs
FIREMAN STAIR
GUTTER
PRIVATE DECK PENTHOUSE 1
47' ROOF
1/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
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Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
ROOF
AREAS
1/8" = 1'-0"
As indicated


89'-6"
22'-1"
COMMON AREA
COMMERCIAL STOR.
01 Cellar
1/8" = 1'-0"
82'-0"
22'-0"
COMMERCIAL SP.
COMMON AREA
Axis
COMMERCIAL BACKYARD
02 1st Floor GR.
1/8" = 1'-0"
51'-11"
22'-0"
AREA
03 Second Floor
1/8" = 1'-0"
51'-11"
22'-0"
BALCONY
UNIT 1
04 Third Floor
1/8" = 1'-0"
51'-11"
22'-0"
UNIT 1
BALCONY
04 Fourth Floor
1/8" = 1'-0"
51'-11"
22'-0"
PENTHOUSE
BALCONY
05 Fifth Floor
1/8" = 1'-0"
51'-11"
22'-0"
ROOF TERRACE
PENTHOUSE
Shaft Hdr.
06 Sixth Floor
1/8" = 1'-0"
33'-11 1/2"
22'-0"
UNIT 4 DECK
UNIT 3 DECK
UNIT 2 DECK
COMMON AREA
PENTHOUSE ROOF
07 Roof
1/8" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
DESIGN by STUDIO VURAL
Architecture for home & business
247 Water St. 304
Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
AREAS
1/8" = 1'-0"


ELEVATOR BULKHEAD
METAL CANOPY
FRONT TERRACE
METAL DOOR
ROLL DOOR
SOUTH FRONT ELEVATION
3/16" = 1'-0"
ELEV. BULKHEAD
METAL SCREEN WALL
SEE FINISH SCHEDULE
STAIR BULKHEAD
METAL CANOPY
SIDE OF MECH ROOM
8FL BACK TERRACE
ROOF 2F
NORTH BACK ELEVATION
3/16" = 1'-0"
PROJECT:
HOMAGE ON 3RD STREET
DESIGN by STUDIO VURAL
Architecture for home & business
247 Water St. 304
Brooklyn, NY 11201
admin@studiovural.com
646 734 0766
DRAWING NAME:
ELEVATIONS
3/16" = 1'-0"


ZONING DISTRICT: R6A C1-4 OVERLAY(WIDE STREET)
LOT COVERAGE AS PER ZR 23-153: %65
LOT AREA: 1900 SF
NORTH
FOUR STORY BRICK
REAR YARD
ADJACENT R6A/C1-4
BALCONIES
BFL TERRACE
THREE STORY BRICK
1 STORY + CELLAR
ROOF
ROOF STORY BRICK
FRONT YARD
BFL TERRACE
BROOKLYN PL
3RD STREET
80' WIDE STREET
LEGEND: R6A / C1-4 OVERLAY
WIDE STREET
PROPOSED BUILDING
ZONING LOT LINE
HEIGHT AND SETBACKS
NEW TREE
KEY LEGEND
3/32" = 1'-0"
ZD-1 AXONOMETRIC DIAGRAM
1/2" = 10'-0"
REQUIRED HEIGHT AND SETBACK:
ZR 23-662 / 23-663
MAXIMUM BUILDING HEIGHT
85'-0" MAXIMUM STREET WALL HEIGHT
ACTUAL BUILDING HEIGHT: 80'-0"
AS MEASURED AT BASE PLANE
ACTUAL STREET WALL HEIGHT: 65'-0"
AS MEASURED AT BASE PLANE
ROOF
PROPOSED BLDG
HEIGHT 80'-0" PER ZR
23-662 / 23-663
EXISTING BLDG
REAR YARD
CELLAR
BASE PLANE:
(B.P.)1= 20.21'-0"
(B.P.)2= 20.21'-0"
20.21'
ZD-1 SECTION DIAGRAM
1/16" = 1'-0"
A-A SECTION
N.T.S. PER ZR 23-662 / 23-663
B-BSECTION
N.T.S. PER ZR 23-662 / 23-663
ZD-1 KEYPLAN
1" = 10'-0"
5/28/2019
PAA FILING NO.1
Revisions
No. Rev Date Issued to
ARCHITECT OF RECORD:
SELIM VURAL, AIA
401 BROADWAY, SUITE 303
NEW YORK, NY 10013
(212) 219-0245
OWNER:
KAITO MANAGEMENT
291 5TH AVENUE
BROOKLYN, NY 11215
DESIGN by STUDIO VURAL:
247 Water St, 304
Brooklyn, NY 11201
selim@studiovural.com
646-729-0702
STRUCTURAL ENGINEER:
JOHN MALOZZI, P.E.
132 Hope Street, Stamford, CT 06906
john351@email.com - 203-943-5277
MECHANICAL ENGINEER:
ILYA VELDSHTEYN, P.E.
401 Broadway, New York, NY 10013
iveo@bellsouth.net - 561 413 9662
CONSULTING / EXPEDITING:
BMB BUILDING CONSULTING INC
Xiong Jian (Jimmy) Shi
401 Broadway, Suite # 212
New York, NY 10013
Office: 212-966-0370
PROJECT:
CARLOS HERNANDEZ TRUST
497 3RD ST.,BROOKLYN, NY, 11215
DRAWING NAME:
ZONING DIAGRAM
SIGN AND SEAL:
REGISTERED ARCHITECT
SELIM VURAL
STATE OF NEW YORK
DRAWING NO.
ZD-1
Author
As indicated
Reserved for DOB:

ASBESTOS REPORT

NYC Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT

RECEIVED
6/1/2017
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

1. NYC DOB Job # (if applicable) _____ **Control Number: 3313325**

2. Premise No. 497 Street Name 3RD STREET Borough Brooklyn Zip 11215

3. AKA _____ Type of Facility Residence BIN 3021020 Block 00976 Lot 0045

4. Building Owner THE HOMAGE ON 3RD, LLC Address 291 5TH AVENUE

5. City BROOKLYN State NY Zip 11215 Contact Person PEGGY HERNANDEZ

6. Tel. # (718) 788-6500 Fax # _____ Email _____

7. Description of the Entire Scope of Work
PROPOSE VERTICAL AND HORIZONTAL ENLARGEMENT ON EXISTING FOUR-STORY BUILDING WITH GUT REHAB RENOVATION.

ALL SUSPECTED ACM WAS ABATED AS PER TRU2046BK16.

8. I, TONG SING LEE , have conducted an asbestos investigation on
Name of Certified Asbestos Investigator

10/22/2015 11:00AM-12:30PM, 05/15/2017 10:00AM-10:30AM in accordance
Date(s)

with Sections 1-16 and 1-28 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

☒ a. portion(s) of the premises affected by the work is free of asbestos containing material (ACM).

☐ b. premise (or portions thereof) affected by the work contains 10 square feet or less or 25 linear feet or less of ACM. Specify locations in section 9: Note: This material must be abated as a minor project in accordance with relevant provisions of the DEP Asbestos Rules.

☐ c. asbestos is present and will not be disturbed during construction activity. Specify the quantity and area where asbestos is present. Specify amount: _____ sq. ft _____ linear ft.
Specify locations (attach additional documents as necessary):

_____

☐ d. entire building is free of asbestos containing material (ACM).

9. RESULTS OF ASBESTOS BUILDING SURVEY:

FLOOR	DESCRIBE SECTION OF FLOOR	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT	ASSUMED ACM
CELLAR	STORAGE SPACE	ABANDON/ DAMAGED CONDITION: WALL PLASTER, CMU BLOCK WALL	6	No	No
BAS, 001-003	ENTIRE	ABANDON/ DAMAGED CONDITION, EXPOSED ALL FLOOR JOISTS & CEILING JOISTS, WALL PLASTER.	12	No	No

I hereby declare the information provided herein is true and complete

TONG SING LEE	6/1/2017	121995	4/16/2018
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (646) 623-0290 Fax # _____

Email tslee202020@yahoo.com

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

CITY OF NEW YORK
TONG SING LEE
CERTIFIED ASBESTOS INVESTIGATOR
121995

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

25329317

Environmental Protection

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Flushing, NY 11373
ASBESTOS ASSESSMENT REPORT

RECEIVED
6/1/2017
DEP
ASBESTOS CONTROL
PROGRAM
FEE PAID

ROOF	ENTIRE	ALL SUSPECTED ACM WAS ABATED AS PER TRU2046BK16.	0	No	No

10. ANALYTICAL LABORATORY:

NAME	ELAP # (NYS DOH CERTIFICATION)	DATE(S) SAMPLES ANALYZED
METRO ANALYTICAL LABORATORIES	12003	11/14/2015

11. NYS DOL Asbestos Handling license # 66067 Company Name TSL Building Service Inc.

I hereby declare the information provided herein is true and complete

TONG SING LEE	6/1/2017	121995	4/16/2018
DEP Certified Asbestos Investigator's Signature	*Date*	*Certificate Number*	*Expiration Date*

Tel. # (646) 623-0290 Fax # _____

Email tslee202020@yahoo.com

The investigator shall assume that some or all of the areas investigated contain ACM, and for each area that is not assumed to contain ACM, collect and submit for analysis bulk samples in accordance with §§ 1-36, 1-37, and 1-44 of the DEP Asbestos Rules and EPA publications 560/5-85-024 and 560/5-85-030a and 40 CFR 763.86.

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

CITY OF NEW YORK
TONG SING LEE
121995
CERTIFIED ASBESTOS INVESTIGATOR

Is it a Build-It-Back project? ☐ Yes, App ID # _____ ☒ No

25329317

6/1/2017 3:50:38 PM

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises Known as

THE HOMAGE ON 3RD STREET CONDOMINIUM

and having a street address of

497 3RD STREET

in the Borough of Brooklyn and the County of Kings

City and State of New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:

THE HOMAGE ON 3RD STREET CONDOMINIUM

Declarant:

THE HOMAGE ON 3RD, LLC
291 5TH AVENUE
BROOKLYN, NY 11215

Date of Declaration:

....., 2019

The land affected by the within instrument lies in Block 976, formerly known as Lot Number 45, now known as Lot Numbers on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York.

Record and Return:

Damion M. Sanders, Esq.
Attorney for Declarant
865 President Street
Brooklyn, New York 11215

DECLARATION
OF
THE HOMAGE ON 3RD STREET CONDOMINIUM
(Pursuant to Article 9-B of the Real Property Law of the State of New York)

THE HOMAGE ON 3RD, LLC, having an office at 291 5th Avenue, Brooklyn, New York, 11215 ("Sponsor") does hereby declare as follows:

1. DEFINITIONS: All capitalized terms used in this Declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Schedule C attached hereto, unless the context in which they are used will otherwise require.

2. SUBMISSION OF PROPERTY: Declarant hereby submits the land and building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and Pursuant thereto does hereby establish a condominium to be known as "THE HOMAGE ON 3RD STREET CONDOMINIUM" (the "Condominium").

Excluded from the Property are any Excess Air and Developmental Rights and Air Rights, if any, which shall be retained by the Sponsor, who shall have the exclusive right to utilize, sell or otherwise transfer any Excess Development Rights or Air Rights. Excess Development Rights or Air Rights shall inure solely to the benefit of Sponsor or other Development Rights Owner.

Attached to this Declaration and made a part hereof 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 they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms, which are not separately defined, shall have the meanings given to those terms in the By-Laws.

3. THE BUILDING: The building ("Building") is located at 497 3rd Street, Brooklyn, NY 11215 and consists of six (6) stories with a cellar and bulkhead. The building will contain four (4) Residential Units and one (1) Retail/Commercial Unit. The building is constructed of new steel and concrete.

4. THE LAND: Included in the property is all that certain tract, plot piece and parcel of land ("The Land") situate. Lying and being in the County of Kings, City and

State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof. The land is owned by the Declarant in fee simple absolute.

5. THE PROPERTY: Included in the property is the building (the "Building") consisting of four (4) Residential Units and one (1) Retail/Commercial Unit (collectively, the "Units" and individually, a "Unit") and five (5) storage rooms.

6. THE UNITS: Schedule B annexed hereto and made a part hereof, sets forth the following data with respect to each Unit necessary for proper identification thereof: Unit designation; tax lot number; number of rooms; and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the building (the "Floor Plans") certified by Selim Vural, Registered Architect, and approved by the Building Department and intended to be filed in the Kings County Office of the Register of the City of New York ("the City Register's Office") simultaneously with the recording of this Declaration.

Each Unit includes, and each Unit Owner shall be responsible for all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, heating and air conditioning units, heating equipment, ranges and other appliances, as may be affixed, attached, or appurtenant to said Unit but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceiling, or floors. Plumbing, chimney flues, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes attached to the fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached and any special pipes or equipment that a Unit Owner may install within a wall or ceiling, but shall not include gas, water or other pipes, conduits, wiring or duct work within the walls, ceilings or floors. Each Unit also includes all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or facilities affixed or appurtenant to the Unit to the extent located within a Unit and serving or benefitting only that Unit. Each duplex or triplex Residential Unit shall include any interior staircases, landings and stairs and any private elevator (including their shafts, pits, machine rooms and appurtenant facilities) to the extent located within a Unit and serving or benefitting only that Unit. The description of the units set forth herein pertains to the location of the walls, floors and ceilings of the Units as they are finally set forth in the Plans. Notwithstanding anything contained herein to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surface of the wall, ceilings, and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity of such Unit Owner's Unit or of the building.

The Units will be offered for public sale pursuant to the terms and provisions set forth in the Plan.

As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in the Declarant in all the Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

7. DIMENSION OF UNITS: Dimensions of the Units are approximate. Any Common Elements located within any Unit shall not be considered a part of that Unit.

Each residential unit consists of the area measured horizontally from the exterior side of the exterior walls to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators, and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls; provided, however, (i) columns, mechanical pipes, shafts, shaft ways, chases, chase ways, and conduits in all Residential Units, where provided are not deducted from the measurement of each Residential Unit and (ii) elevator shafts, exit corridors and stairwells on the full floor unit floors are not deducted from the measurement of each Residential Unit. Each Residential Unit consists of the area measured vertically from the top of the finished floor to the underside of the finished ceiling. Each terrace/loggia/balcony includes the parapet.

The Retail Unit is measured horizontally from the exterior face of the exterior walls (perimeter columns and mechanical shafts are included), to the centerline of any partitions (including concealed metal studs, block work, masonry, columns, and mechanical pipes and ducts and their enclosures within these partitions) separating the Unit from the residential lobby, from stairs, from elevators, and other mechanical equipment or shaft spaces and include niche areas. Each Retail Unit is measured vertically from the top of the finished floor to the underside of the finished ceiling.

8. COMMON ELEMENTS: The Common Elements of the Condominium consist of the entire Property, including all parts of the Building and improvements thereon other than the Units. They include, without limitation, the following:

a. The Building and the land on which the Building is physically erected.

b. All roofs, drains, and leaders.

c. All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and insulation beyond the interior exposed face of Building or, where applicable, those portions of the exterior walls beyond the interior face of the exterior wall; those portions of the exterior walls and partitions dividing the Units from corridors, lobby and stairs, stairs, subfloor framing and joists and other mechanical spaces located beyond the unexposed face of the dry walls enclosing the Unit, or, where applicable, the subfloor and framing joists including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkhead; skylights, (other than those

located in a Unit), if any; water towers and tanks, if any; chimney; if any; yard areas, if any; and roof; corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls or block work or concrete work of the walls enclosing a Residential Unit; storage and utility areas which are not part of a Unit located beyond the unexposed face of the dry walls enclosing a Unit or the unexposed face of a dry wall enclosing all or part of such Units; and all cellar areas which are not included within a particular Unit; the entrances to and exits from the Building.

d. All installations outside the Unit for services such as gas, oil, power, light, telephone and water;

e. All sewer pipes and drainage pipes

f. The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans.

g. The gas, electric and water meters, if any, in the cellar, the meter room in the cellar, any oil tank which is owned by the Condominium or for which the Condominium is responsible for the replacement, maintenance and/or repair thereof;

h. Any tanks, pumps, motors, fans compressors, ducts and in general all apparatus and installations existing for common use; and

i. The vestibule, lobby and fire escape; and

j. All other apparatus and installations, existing in the Building for common use or necessary or convenient to the existence, maintenance or safety of the Building;

The Common Elements will remain undivided and no Unit Owner or other person will bring or have a right to bring any action of partition or division thereof except as may be specifically provided for herein, and in the By-Laws.

9. LIMITED COMMON ELEMENTS: Certain portions of the Common Elements are limited and restricted in use to the Owners of Units to which the Limited Common Elements are appurtenant, subject to the right of the Board of Managers to enter upon any Limited Common Element to make structural repairs or replacements to said Limited Common Element and subject to the Rules and Regulations of the Condominium. Except for normal wear and tear and acts of God, the cost of maintenance and repairs will be borne by the Unit Owner having the exclusive use thereof. The cost of maintenance and repairs to the Limited Common Elements due to normal wear and tear and acts of God shall be proportionately shared by all Unit Owners in accordance with their percentage of common interest as a Common Expense. Structural repairs of the Limited Common Elements will be borne by all Unit Owners as a Common Expense unless the structural repair was occasioned by the negligence of one or more of the Unit Owners or their guests or agents, in which case the cost shall be borne exclusively by said Unit Owner(s).

The Limited Common Elements consist of the following:

Unit 2 – a portion of the roof

Unit 3 - a portion of the roof and balcony

Unit 4 - a portion of the roof and balcony

Unit PH – a portion of the roof and balcony and two (2) terraces

Retail Unit – ground level terrace and backyard

10. USE OF UNITS AND ANCILLARY AMENITIES: Each of the Residential Units may be used only for a private residence, except that a Residential Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Units may also be used as professional offices by a resident thereof provided such professional office does not violate any zoning law and ordinances and provided further that the prior written consent of the Board of Managers to such professional use is obtained. Notwithstanding the aforesaid, no Unit Owner may use his, her, or their Unit so as to interfere with the quiet enjoyment of other Unit Owners of their respective Units. Notwithstanding the foregoing, the Declarant, or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, sales and/or production offices in connection with the sale or rental of the Units.

The Retail Unit may be used for any legal use permitted by the Plan and the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses.

11. CHANGES IN UNITS: Except to the extent prohibited by law, Declarant or its designee shall have the right, without the vote or consent of any Board, other Unit Owners or the Mortgage Representatives, if any, to (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Units ("Unsold Units") at the time owned by Declarant or its designee; provided, however, that any Unit which is personally and continuously occupied by Declarant or a designee of Declarant for a three (3) year period shall, at the expiration of such three (3) year period, no longer be considered to be an Unsold Unit (the terms "Declarant's designee" or "its designee", "designees of Declarant" or similar terms shall mean any of the principals of Declarant or any Affiliate of Declarant); (b) change the use (including changing the use from residential to commercial) or layout of, or number of rooms in, any Unsold Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between

any Unsold Unit, or otherwise, and (d) if appropriate, reapportion among the Unsold Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interest in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall reasonably consent thereto and, provided further, that Declarant or its designee shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold each Board member and all other Unit Owners harmless from any liability arising therefrom. The above changes, if made, will be disclosed in an Amendment to the Offering Plan for the property. In addition, of the above changes are made, the Declaration will be so amended to indicate said change(s). The provisions of this Article may not be added to, amended, modified or deleted without the prior written consent of the Declarant or its designee. By the written permission of the Board of Managers, which shall not be unreasonably withheld, any such Unit Owner may be given, with respect to such owner's Unit, the same rights as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Board a written certification stating that the respective Common Interest of each Unit, as determined by Declarant, is based, pursuant to section 339(i)(iv) of the Real Property Law 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.

12. PERSONS TO RECEIVE SERVICE: The President of the Board of Managers is hereby designated to receive process in any action, which may be brought against the Condominium.

In addition to the foregoing, the Secretary of State of the State of New York is hereby designated as agent of the Board of Managers to accept service of process in any proceeding.

13. DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS: The respective of Common Interest of each Unit is based, pursuant to section 339(i)(iv) of the Real Property Law 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.

14. ENCROACHMENTS: If any portion of the Common Elements now encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration of the Building or a Unit after damage by fire or other casualty, or (d) as a

result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand.

15. ACCESS TO COMMON ELEMENTS: Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the property, which serve his, her or their Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the property which serve other units. The Board of Managers shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the property, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the occupants. Such entry shall be permitted on not less than one (1) day's notice, except that no notice will be necessary in the case of an "emergency" (i.e. a condition requiring repair o replacement immediately necessary for the preservation or safety of the building or the safety of occupants of the building, or other persons, or required to avoid the suspension of any necessary service in the building).

16. EASEMENTS: Except as set forth below, each Unit Owner shall have an easement in common with the owners of all other Units, an easement for the exclusive use of the Common Elements.

Each Unit Owner shall have in common with all Unit Owners, and each Unit shall be subject to an easement (a) to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit, all General Common Elements and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

The Sponsor, his designees, successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon, and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines for the benefit of the Property, and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iii) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

The Sponsor, his designees and successors, assigns, invitees, licensees, contractors, employees and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Building and elsewhere on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in and access to Units and Common Elements consistent with the purposes of a certain Offering Plan for the Property dated ....., 2019, as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements and (ii) reserve the right to establish, grant and create easements for any additional underground electric transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility lines and appurtenances in, under and through the Property, including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, or for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of any recreation facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for private residential use or home occupation purposes and the Commercial Units for the permitted uses therein. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

Any Commercial Unit Owner and any tenant or tenants of such Unit or Units pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, to install, repair and maintain either within or in the immediate location of such particular Unit at the facade of the front of the Building a sign or signs, which may be illuminated, for advertising or identification purposes. Such Unit Owners and any tenants of space in such Units shall comply with all of the laws, orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Unit Owners or their tenants shall obtain and pay for all permits required for such signs and any necessary renewal fees.

Users of any easement granted this Paragraph 16 shall have the responsibility of repairing any damage resulting therefrom.

17. ALTERATIONS: No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to the Residential Unit or its appurtenant

Residential Limited Common Elements, if any, without the prior approval of the Board of Managers but, as more fully set for in the By-Laws, this provision does not apply to an Unsold Residential Unit or to Sponsor. Except as otherwise permitted in the By-Laws, no Residential Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without prior approval of the Board of Managers.

To the extent that any alterations are commenced in a Unit by a Residential Unit Owner prior to Sponsor's completion of any unfinished work Sponsor agreed to perform after the Closing of the unit, Sponsor shall be relieved of completing all such work.

Sponsor and the Retail Unit Owner shall each have the right, without the approval of the Board of Managers, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to their respective Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and ((b) subdivide, combine and change the boundary walls of their respective Units. (See the Section of the Plan entitled "Changes is Prices and Units" for details.)

Prior to, and as condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, or its appurtenant Residential Limited Common Elements each Residential Unit Owner is required by the By-Laws to (i) obtain the approval of the Board of Managers, (ii) obtain the approval of the Board of Managers of the Unit Owner's contractors and, (iii) obtain such insurance as the Board of Managers may require, (iv) agree to indemnify Sponsor, the Board of Managers, Managing Agent and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (b) agree to pay and reimburse the Board of Managers for all architectural, engineering, legal and other fees incurred in connection with each alterations, additions, improvements or repairs, (vi) agree to pay a fee to the Managing Agent for processing alteration applications. In connection with such alterations, additions, improvements and/or repairs, each Residential; Unit Owner shall employ only such laborers and other workers as shall not conflict with any workers employed in the Building or otherwise cause disharmony with any Building services as determined by the Board of Managers in its sole and absolute discretion. Residential Unit Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engage by either the Board of Managers or Sponsor unless expressly agreed to in writing by the Condominium Board or Sponsor. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Residential Unit Owner under the Condominium Documents.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed by the Building.

No Application or other document shall be filed with any governmental authority for a permit covering an addition, alteration, improvement or repair to be made in a Unit, unless approved and executed, if necessary, by the Board of Managers. The Board of Managers will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Board of Managers and the Residential Unit Owners shall not be subject to any expense or liability by any reason of such approval and execution or, by reason of such addition, alteration or improvements, including, without limitation, liability to any contractor, subcontractor, materialperson, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, or the Retail Unit provided any alteration to such Unsold Residential Unit or Retail Unit shall be in accordance with, and only as permitted by the Condominium Act and the Law.

18. POWER OF ATTORNEY TO SPONSOR AND BOARD: Each Unit Owner shall grant to the persons who shall from time to time constitute the Sponsor and/or the Board of Managers, an irrevocable power of attorney, attached hereto, coupled with an interest (in such form and content as the Board shall determine) following due authorization from the Unit Owners (a) to acquire to or lease any other Unit, together with its Appurtenant Interests (as hereinafter defined), whose owners desire to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, in the name of the Board or its designee, corporate or otherwise on behalf of all Unit Owners, (b) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Units which the 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 an other public authority, applicable to maintenance, demolition, construction, alteration, repair or restoration of the Units or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto affecting any Unit or the Common Elements which the Board deems necessary or appropriate.

19. ACQUISITION OF UNITS BY BOARD: In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements, general and limited, appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium; (hereinafter collectively called the "Appurtenant

Interests"), pursuant to the provisions of Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VIII of the By-Laws, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, title to any such Unit, together with the Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interests.

20. COVENANTS RUNNING WITH THE LAND:

All provisions of the Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof or interest therein and his, her, or their heirs, executors, administrators, legal representatives, successors and assigns but except as specifically provided for herein the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration to be insufficient to submit the property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws as the case may be, for the purpose of submitting the property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land. If any

provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the property to the Provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the property to the provisions of the Condominium Act.

If this Declaration and the By-Laws are insufficient to submit the property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the property their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest therein under applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owner had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

21. AMENDMENTS TO THIS DECLARATION: This Declaration may be amended, modified, added to or deleted from by the affirmative vote of at least 66-2/3% in number and in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by 66-2/3% in number and in Common Interest of all Unit Owners, provided, however:

(a) No amendment, modification, addition or deletion which shall adversely affect the lien of any mortgage may be made without the written consent of the mortgagee;

(b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of such Owner(s); no amendment which shall increase the percentage of Common Interests allocated to any Unit or Units may be made without the written consent of the mortgagee(s) of such Unit, or Units, if any;

(c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against Sponsor, its designee, or any Unsold Unit until Sponsor or such designee shall consent thereto in writing.

The Sponsor hereby reserves to himself and his designee(s) the right to amend this Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans, the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p.

No such amendment shall be effective until recorded in the Kings County Office of the Register of the City of New York and with the Department of State for the State of New York.

22. TERMINATION OF CONDOMINIUM: The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit, in the order of priority of such liens.

23. CHANGES IN UNSOLD UNITS: For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act (as the same may be amended), the Sponsor or his designee(s) shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to and upon the Unit; (ii) change the layout or number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Unit or otherwise; and (iv) reapportion among such Unit(s) affected by such change in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with Sponsor or its designee for a Unit adversely affected as a result of the above changes, if they have not consented to such changes, will be given the right to rescind their Purchase Agreements and receive a refund of any deposit or down payment. The above changes, if made, will be disclosed in an amendment to the Offering Plan for the Property. The provisions of this paragraph and paragraph 16 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s).

Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

24. INVALIDITY:

(a) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under the other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act.

(b) Subject to the terms of paragraph (a) of this clause 17, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of the Declaration or the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

25. COMMON EXPENSE: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws. The Board of Managers may also specially allocate and apportion profits and expenses to residential and/or non-residential units based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners in a manner different than in proportion to a Unit Owner's respective interest in the Common Elements.

26. DEFINITION OF "SPONSOR-DESIGNEE": The term "Sponsor-designee" as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit. A "Sponsor-designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

27. WAIVER: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches, which may occur.

28. CAPTIONS: The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

29. CERTAIN REFERENCES: 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. The term "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.

30. SEVERABILITY: 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 provisions to other persons or circumstances shall not be affected thereby.

31. COVENANT OF FURTHER ASSURANCES: Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of any Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declarant or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner, Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request thereto, to take any action which such Board, Unit Owners or party is required to execute, acknowledge and deliver or to take pursuant to this Declarant at the request of Declarant, as the case may be, then Declarant, as the case may be, is hereby authorized as attorney-in-fact for such Unit Owner, Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of such Unit Owner, Board or other party and such document or action shall be binding on such Unit Owner, Board or other party.

32. SUCCESSORS AND ASSIGNS: The rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with consent of Declarant or its

designee, any transferee of all then Unsold Units. Subject to the foregoing, Declarant or its designee shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

33. CONSENTS AND DECLARANT: Wherever the consent, approval, satisfaction, or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission will not be required when Declarant or such designee no longer owns any Unsold Units.

34. INCORPORATION BY REFERENCE: The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Schedule A; (ii) the description of the Units annexed hereto as Schedule B; (iii) the By-Laws; (iv) the form of Unit Owner's Power of Attorney; and (v) the Floor Plans are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

35. EXCESS AIR AND DEVELOPMENT RIGHTS: Any Excess Air and Development Rights shall be retained by Sponsor, who shall have the exclusive right to utilize, sell, or otherwise transfer any Excess Air and Development Rights. Excess Air and Development Rights shall inure solely to the benefit of the Sponsor or other Development Rights Owner. Neither the Board of Managers nor any Unit Owner (other than Sponsor or a Development Rights Owner) shall have any right or interest in any Excess Development Rights.

Each Unit Owner by accepting a deed or otherwise succeeding to title to a Unit, and the Board of Managers shall be deemed to have consented to and agreed to grant Sponsor and any Development Rights Owner an irrevocable power of attorney coupled with an interest, to execute, acknowledge, and deliver any such declaration of zoning lot restrictions, zoning lot development agreement, easement of light and air, or other document or instrument necessary or expedient to carry out the exercise of any rights, reserved, retained or granted to Sponsor or Development Rights Owner.

Notwithstanding the foregoing, neither Sponsor nor any Development Rights Owner may utilize Excess Air and Development Rights to increase the size, height, bulk or density of any portion of the Property.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this ..... day of ....., 2019.

THE HOMAGE ON 3RD, LLC

By: .....

STATE OF NEW YORK ss.:

COUNTY OF KINGS

On this ..... day of ....., in the year ....., before the undersigned personally appeared ....., personally known to me to be the individual who executed the foregoing instrument, and who, being duly sworn by me, did depose and say that he resides at, ... New York, New York; that he is the individual described in and who executed the foregoing instrument and that he signed his name thereto by like order.

.....
Notary Public

SCHEDULE A (TO THE DECLARATION)

LEGAL DESCRIPTION OF SITE

Block 976, Lot _____ on the Tax Map of Kings County

The Condominium Unit (the "Unit") known as Unit No. _____ in the building (the "Building") known as The Homage on 3rd Street Condominium and by the Street Number 497 3rd Street, Brooklyn, N, said Unit being designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York, (the "New York Condominium Act") dated ____/____/_____ and recorded in the Office of the Register of the City of New York (the "Register's Office"), County of Kings on ____/____/____ under CRFN _____ and also designated as Tax Lot _____ in Block 976 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 of said Building, certified ____/____/____ by _____ and approved by the Real Property Assessment Department of the City of New York as Condominium Plan No. _____ and Map recorded in the Register's Office on ____/____/____ under CRFN _____

TOGETHER with an undivided _____ interest in the Common Elements.

The premises within which the Unit is located are more particularly described as follows:

ALL that certain plot, piece or parcel of land, situate and 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 in the Northerly side of 3rd Street distant 22 feet 3 inches westerly from the corner formed by the intersection of the northerly side of 3rd Street and the westerly side of 7th Avenue.

RUNNING THENCE northerly parallel with 7th Avenue and part of the distance through a party wall 90 feet;

THENCE westerly parallel with 3rd Street 22 feet;

THENCE southerly again parallel with 7th Avenue and part of the distance through a party wall 90 feet to the northerly side of 3rd Street;

THENCE easterly along the northerly side of 3rd Street, 22 feet to the point or place of beginning.

TOGETHER with the Benefits and Subject to the Burdens and Provisions of the Declaration of Condominium and of the By-Laws of the Condominium recorded in the Office of the Register of the City of New York, County of Kings, on ____/____/____ under CRFN _____, as the same may be amended from time to time by the instruments in the Register's Office aforementioned which shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit.

SCHEDULE B (TO THE DECLARATION)

SCHEDULE B TO THE DECLARATION THE HOMAGE ON 3RD STREET CONDOMINIUM								
UNIT	LOCATION OF UNIT	PERCENTAGE INTEREST IN COMMON ELEMENTS	TAX LOT NUMBER	NUMBER OF BEDROOMS/ BATHS	SQUARE FOOTAGE PER UNIT	BALCONY/ TERRACE SQUARE FOOTAGE	LIMITED COMMON ELEMENTS SQUARE FOOTAGE	SQUARE FOOTAGE OF LIMITED COMMON ELEMENTS PER UNIT
2	2nd Fl.	18.4816%		2 BR / 2 BA	1,142		Roof	70
3	3rd Fl	19.1161%		2 BR / 2 BA	1,142	46	Roof	66
4	4th Fl.	19.5711%		2 BR / 2 BA	1,142	46	Roof	55
PH	5th/6th Fl.	33.8673%		3 BR / 3BA	1,890	413	Roof	66
Retail	1st Fl./ Cellar	8.9639%			384	191	Cellar/ Rear Yard	1,279
		100.0000%			5,700	696		1,536

SCHEDULE C (TO THE DECLARATION)

DEFINITIONS

ADJUSTMENT DATE: The date upon which adjustments between the Sponsor and the purchaser are calculated.

ACCEPTED FOR FILING: The date upon which the Department of Law accepts the offering plan and issues its letter.

ANCILLARY AMENITY: Any area designated as a Storage Room in the Plan. All such Ancillary Amenities are collectively referred to as "Ancillary Amenities".

ANCILLARY AMENITY LICENSE: The Agreement pursuant to which an Ancillary Amenity is licensed to a Residential Unit Owner.

ANCILLARY AMENITY LICENSEE: Any Residential Unit Owner who licenses an Ancillary Amenity at the time in question. All such Residential Unit Owners are collectively referred to as "Ancillary Amenity Licensees".

APPURTENANT INTEREST: With respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

BOARD OF MANAGERS: The Board of Managers of the Condominium, which will conduct Condominium affairs and supervise the operation of the Property.

BUILDING*:* The building, including any below grade sections, constructed on the land in which the Units of the Condominium are located.

BY-LAWS: The By-Laws governing the operation of the Condominium, a copy of which is set forth in Part II of the Plan

CLOSING DATE: Refers to the date on which closing of a unit occurs.

COMMERCIAL UNIT: Any Unit designated as a commercial unit in the Declaration.

COMMON CHARGES: Assessments payable by the Board for the purposes of meeting common charges, which amounts to each unit's pro rata share of the Common Expenses in accordance with the Common Interest of the Unit.

COMMON ELEMENTS: The land and all parts of the building (other than Units), including without limitation, the foundations, roofs and supports of the building, lobbies, hallways, and all areas or facilities for the common use of the Units and Unit Owners.

COMMON EXPENSE: Expenses of operation of the Property, and all sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or By-Laws.

COMMON INTEREST: The proportionate undivided interest, in fee simple absolute, expressed as a numerical percentage, in the Common Elements, allocated to each Unit, in accordance with the Declaration and the Condominium Act. The total aggregate of all Common Interest percentages allocated to all Units equals 100%. The Common Interest is the basis of determining, among other things, a Unit Owners: (a) Liability for a share of the Common Expenses, (b) voting power, and (c) share of any distribution to Unit Owners upon termination of the Condominium.

CONDOMINIUM ACT: The New York State Condominium Act as amended from time to time as presently found in the New York Real Property Law, Article 9-B.

CONDOMINIUM. The Units and Common Elements constituting the Condominium to be located at 497 3rd Street, Brooklyn, New York 11215 and to be known as The Homage on 3rd Street Condominium. The word Property shall be used interchangeably and shall have the same meaning as the term Condominium as defined above.

CONDOMINIUM BOARD: Shall mean the Board of Managers.

DECLARATION: The instrument creating the Condominium set forth in Part II of the Plan.

DEPARTMENT OF LAW: Shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

EFFECTIVE DATE: Refers to the date the Plan is declared effective. (See "Effective Date" section of this Plan).

DEVELOPMENT RIGHTS OWNER: Shall mean the Sponsor or any Person which acquires all or any portion of the Excess Air and Developmental Rights or Excess Development Rights from Sponsor, if any.

EXCESS AIR AND DEVELOPMENTAL RIGHTS: Certain rights as determined by the Zoning Resolution of the City of New York ("Zoning Resolution"), that all 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) contiguous 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 thereon 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 or transferred to other zoning lots as permitted by the Zoning Resolution.

EXCESS DEVELOPMENT RIGHTS: Shall mean "Excess Air and Developmental Rights".

FIRST CLOSING: The date fee title to a Condominium Unit is first conveyed to a purchaser pursuant to the Plan.

FORCE MAJEURE: Unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargoes, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor. However for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

LAND: Refers to the property, excluding the building.

LIMITED COMMON ELEMENTS: A common element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of Limited Common Elements are set forth in the Declaration and By-Laws in Part II of this Plan.

MANAGING AGENT: Shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

OFFERING PLAN: A statement prepared on behalf of the Offeror (Sponsor), as defined below, designed to disclose all material facts concerning the proposed Condominium, in order to aid prospective purchasers in making informed decisions regarding their purchases.

PERMANENT CERTIFICATE OF OCCUPANCY: Any permanent certificate of occupancy issued by the Department of Buildings for the Building.

PERMITTED ENCUMBRANCES: Encumbrances to the title of a Unit which a purchaser agrees to take title subject to, as more particularly itemized on Schedule A annexed to the form of Purchase Agreement contained in Part II of the Plan.

PERMITTED MORTGAGE: A first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

PERMITTED MORTGAGEE: Any hold or guarantor of a Permitted Mortgage at the time in question.

PLAN: The offering plan as amended to convert the premises to condominium ownership.

PROPERTY*:* Refers to the Land and Building situated at 497 3rd Street, Brooklyn, New York 11215 that Sponsor plans to convert to condominium ownership pursuant to the provisions of this Plan.

PURCHASER: Refers to a party(s) named as purchaser(s) in a Purchase Agreement, which has been duly executed by such party and accepted by Sponsor.

PURCHASE AGREEMENT: Refers to that contract of purchase and sale for a unit as set forth in Schedule B in Part II of the Plan.

RESIDENTIAL UNIT: Any Unit designated as a residential unit in the Declaration.

RESIDENTIAL UNIT OWNER: The person or persons owning a Residential Unit in fee simple absolute.

RETAIL UNIT: Any Unit designated as a retail unit in the Declaration.

RETAIL UNIT OWNER: The person or persons owning a Retail Unit in fee simple absolute.

RULES AND REGULATIONS: The rules and regulations made in accordance with the By-Laws attached thereto as Schedule A and also the Supplemental Addendum entitled "House Rules".

SALES OFFICE: The sales office of the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

SELLING AGENT: A person, persons, or other entities designated from time to time by the Sponsor to be its agent in the sale of the units.

SPECIAL ASSESSMENT: The charges allocated and assessed by the Board of Managers to the Unit Owners, pro rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

SPONSOR: The Sponsor of this Offering Plan is THE HOMAGE ON 3RD, LLC.

SPONSOR'S DESIGNEE OR DECLARANT'S DESIGNEE: A person or entity designated by the Sponsor (or the Declarant) as such with respect to any unit. Such persons or entity shall have the same rights with respect to such Unit under the offering plan as the Sponsor (or the Declarant).

STORAGE ROOM: Any storage area included in the structural framework and materials out of which the Storage Rooms are constructed. Each Storage Room is a Residential Common Element. Any reference in the Plan to "owning a Storage Room" or "owning a Storage Unit" means that the Residential Unit Owner has entered into an Ancillary Amenity License for the Storage Room.

TEMPORARY CERTIFICATE OF OCCUPANCY: Any temporary certificate of occupancy issued by the Department of Buildings for the Building

UNIT: Any space in the Building designated as a Residential Unit or as a Retail Unit or Commercial Unit in the Declaration, consisting of either a specific Residential Unit or Retail Unit in the building, together with the appropriate appurtenant undivided interest in the Common Elements, as established in the Plan, the Condominium Act and/or otherwise in accordance with the law. All such units are collectively referred to as the "Units".

UNIT OWNER: The person or persons owning a Unit in fee simple absolute.

UNSOLD ANCILLARY AMENITY: An Ancillary Amenity owned or retained, by way of lease or any other arrangement, by which management and/or financial responsibility is retained by the Sponsor or its designee. All Unsold Ancillary Amenities are collectively referred to as the "Unsold Ancillary Amenities".

UNSOLD UNIT: Refers to a Unit owned or retained by the Sponsor or its designee, or a unit for which a prospective purchaser is in default under the terms of his, her, or their Purchase Agreement past any applicable period to cure, or a unit the Sponsor has not sold, or a unit that is acquired, individually or collectively, by one or more members of a group that consists of Sponsor or a partner of Sponsor. All such Unsold Units are referred to collectively as "Unsold Units".

UNSOLD UNIT OWNER: Shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

ZONING RESOLUTION: The Zoning Resolution of the City of New York, as amended from time to time, or replacement rule, regulation or resolution pertaining to development of a zoning lot.

CONDOMINIUM BYLAWS

BY-LAWS OF

THE HOMAGE ON 3RD STREET CONDOMINIUM

Borough of Brooklyn

County of Kings

497 3rd Street, Brooklyn, New York 11215

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BY-LAWS

OF

THE HOMAGE ON 3RD STREET CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership:

The property, located in the borough of Brooklyn, County of Kings, City and State of New York at 497 3rd Street, Brooklyn, New York 11215 (hereinafter called the "Property"), has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Kings County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby shall hereinafter be known as THE HOMAGE ON 3RD STREET CONDOMINIUM.

Section 2. Applicability of By-Laws:

The provisions of these By-Laws are applicable to the property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the building and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as a "Unit" or "Units".

Section 3. Application:

All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration, and the Rules and Regulations attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupying a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations attached hereto and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office:

The office of the Condominium and of the Board of Managers shall be located at the Property.

ARTICLE II

Meetings of Unit Owners

Section 1. Annual Meeting:

The Annual Meeting of the Unit Owners of the Condominium, for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Brooklyn or Manhattan, City of New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to such meeting not less than (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each Unit Owner, at his, her, or their address as it appears in the records of the Condominium, unless he, she, or they have filed with the Secretary of the Condominium a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings:

Special meetings of the Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall also be the duty of the Secretary to call such meetings whenever requested in writing so to do by Unit Owners owning at least thirty (30%) percent of the Common Interest of the Condominium.

The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 1 of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in the notice shall be transacted at such Special Meeting unless the owners of all Units of the Condominium are present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty (60) days after the closing of the first Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices:

The notice provided for in the two foregoing sections is not indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of time, place, and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum:

At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing in person or by proxy, fifty-one (51%) percent of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting. Only those Unit Owners who, if present at the original meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting:

At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the votes appurtenant to his, her, or their Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself or herself be a Unit Owner of the Condominium. Voting by Unit Owners shall be *viva voce (*made vocally*)* unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his, her or their Unit, and in addition, the name of the proxy of such ballot if cast by a proxy.

Sponsor or designee shall have the right to designate members of the Board of Managers in relation to the Common Interests attributable to Unsold Units. As long as there is at least one (1) Unsold Unit, the Sponsor or its designee shall be entitled to designate at least one (1) Member of the Board of Managers regardless of the number of Unsold Units and the number of Members of the Board of Managers may not increase without the consent of the Sponsor.

Section 6. Title to Units:

Title to Units may be taken in the name of an individual or in the names of two (2) or more persons, as joint tenants, tenants in common, tenants by the entirety or in the name of a corporation or partnership, or in the name of a fiduciary or trust, estate, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this section. The above shall not constitute consent or condonation of any activity not permitted under existing Certificates of Occupancy or legal use, zoning requirements or other applicable law or regulation.

Section 7. Number of Votes:

Any or all of such Owners (including the Sponsor or Sponsor designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each Unit owned by them on all matters put to the vote at all meetings of Unit Owners, except that, when voting for the election of members of the Board of Managers, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units): (i) shall be entitled to one vote for each 0.001% of his, her, share of Common Interest attributable to the Unit(s) per member to be elected, and (ii) shall not have the right to cumulate his, her, or their votes in favor of any one (1) or more members to be elected. If Units are owned by more than one person as joint tenants, tenant by the entirety or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves can cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners:

As used in these By-Laws the term "Majority of Unit Owners" shall mean those Unit Owners having greater than 50% of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two thirds of Unit Owners shall mean those Unit Owners having greater than sixty-six and two-thirds (66 2/3%) percent of the total of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners and/or amendments to these By-Laws in accordance with Article XIII Section I of these By-Laws. The vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where, in the Declaration or these By-Laws or by law, a higher percentage vote is required.

Section 9. Inspectors of Elections:

Inspectors of elections shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in Section 610 of the Business Corporation Law.

Section 10. Order of Business:

So far as is consistent with the purpose of the meeting, the order of business of each meeting of Unit Owners shall be as follows:

1. Call to order.
2. Presentation of proofs of due calling of the meeting.
3. Roll call and presentation and examination of proxies.
4. Reading of minutes of previous meetings or meetings, unless waived.
5. Reports of officers and committees.
6. Appointment of inspectors of election, if requested.
7. If the Annual Meeting or Special Meeting called for that purpose, the election of Directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE III

OFFICERS

Section 1. Designation:

The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President, but no other officers, need be members of the Board of Managers. The Sponsor shall have a right to designate a Vice President and an Assistant Secretary of the Condominium for the sole purpose of executing documents in connection with the sales of Unsold Units by the Sponsor or other Holders of Unsold Units for as long as such Unsold Units shall continue to exist.

Section 2. Election of Officers:

The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the

pleasure of the Board of Managers and until their successors are elected, their resignation or death.

Section 3. Removal of Officers.

Upon the affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his, her or their successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President:

The President shall be the chief executive officer of the Condominium. He or she shall preside at all meetings of the Unit Owners and of the Board of Managers. He or she 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 the Unit Owners from time to time as he or she may in his, her or their discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice President:

The Vice President shall take the place of the President and perform his, her or their duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Managers or by the President.

Section 6. Secretary:

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he or she shall have charge of such books and papers as the Board of Managers may 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.

Section 7. Treasurer:

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. He or she shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers or the Managing Agent, if any, in such depositories as may from time to time be designated by the Board of Managers, and he

shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, Etc.:

All agreements, contracts, deeds and leases from the reserve fund, and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers. All checks and distributions from the reserve fund and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium and may not be designated to any other person or persons by the Board of Managers.

Section 9. Compensation of Officers:

No officer shall receive any salary or compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 10. Liability of Officers.

No officer shall be liable to the Unit Owner for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of the officer. It is intended that each officer shall have no personal liability with respect to any contract made by him or her on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended any liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of each officer shall be limited to such proportion of the total liability thereunder as his, her or their interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

BOARD OF MANAGERS

Section 1. Number and Term:

At the time of the first closing there will be three (3) Managers designated by the Sponsor.

The Initial Control Period shall be five (5) years after the closing of the first unit or whenever unsold units constitute less than fifty (50%) percent of the common interests, whichever is sooner.

The Sponsor shall be entitled to appoint members to the Board of Managers both during and after the expiration of the control period for so long as the Sponsor shall have ownership of Unsold Unit(s).

Before and after the Initial Control Period, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

The Sponsor shall be entitled to appoint one (1) additional member to the Board for so long as the Sponsor shall continue to own the Retail Unit both during and after the Initial Control Period. After expiration of the control period the Sponsor shall only be permitted to appoint one (1) member to the Board of Managers, even if the Sponsor maintains ownership of the Retail Unit and one or more Unsold Residential Units after the expiration of the initial control period.

Within approximately ninety (90) days after the first closing the first annual meeting of the Board of Managers will be convened. During the Initial Control Period the Board of Managers shall consist of three (3) persons. During the control period the Sponsor shall be permitted to appoint two (2) members to the Board of Managers. A meeting of the Unit Owners will be held to elect new board members within thirty (30) days of the expiration of the Initial Control Period. From and after that meeting the Board of Managers shall consist of three (3) persons.

After the expiration of the Initial Control Period and at all times thereafter Sponsor or its designee may be able to elect members of the Board of Managers as a result of its ownership of or interest in the Unsold Units. Sponsor shall have the right to designate members of the Board in relation to the Common Interests attributable to Unsold Units. As long as there is at least one Unsold Residential Unit, the Sponsor or its designee shall be entitled to designate at least one (1) Member of the Board of Managers regardless of the number of Unsold Units and the number of Members of the Board of Managers may not be increased without the consent of Sponsor or its designee.

After the expiration of the Initial Control Period and at all time thereafter Sponsor may be able to designate members of the Board as a result of its ownership of or interest in the Unsold Units. Sponsor shall have the right to designate members of the Board in relation to the Common Interests attributable to Unsold Units.

Subsequent to the Sponsor Control Period, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Board of Managers, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Board of Managers. There is no restriction on the right of the Sponsor to vote for Residential Members of the Board of Managers who are not related to or affiliated with Sponsor.

Designation of Retail Member to the Board of Managers

The Retail Unit Owner (including Sponsor for so long as Sponsor shall own the Retail Unit) shall be entitled to designate one (1) member to the Board of Managers.

Section 2. Powers and Duties:

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners and may do all such acts and things, except as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers, which shall include, but shall not be limited to, the following:

a. Contracting for necessary services for the operation, care, upkeep and maintenance of the Common Elements.

b. Determination of the Common Expenses and Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the property.

c. Collecting the Common Charges and expenses of the Condominium from the Unit Owners.

d. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

e. Adoption and amendment of the rules and regulations covering the details of the operation and use of the Property subject to the right of the Unit Owners to overrule the Board (*See* Article VI, Section 18).

f. Opening bank accounts on behalf of the Condominium and designating the signatories required therefor.

g. Purchasing or leasing or otherwise acquiring, in the name of the Board of Managers, or his designee, corporate or otherwise, on behalf of all Unit

Owners, Units offered for sale or lease or surrendered by their Owners to the Board of Managers.

h. Annually deliver to each Unit Owner by April 15 a financial statement of the Condominium prepared by a public accountant or certified public account. Such statement shall be certified during the period of Sponsor control.

i. Purchasing Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

j. Acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the property as a Condominium, as described in the Declaration and these By-Laws.

k. Selling, leasing, mortgaging (but not voting the votes appurtenant thereto), or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

l. Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

m. Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Article VI, Sections 2 and 3 hereof.

n. Making repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

o. Negotiating and settling all claims and actions relating to the Condominium.

p. Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of a majority of all Unit Owners shall be required for the borrowing of any sum in excess of $50,000.00 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Unit Owners. If any sum borrowed by the Board of Managers on behalf of the Condominium, pursuant to the authority contained in this paragraph is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his, her, or their interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements, shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

q. Levying fines against Unit Owners for violations of the Rules and Regulations governing the operation and use of the Property and levying late

payment charges against Unit Owners for late payment of their Common Charges.

r. With written ratification of Unit Owners the Board of Managers may undertake to commence proceedings to reduce real estate taxes on the Units.

s. Instituting and enforcing fees for infractions of the Rules and Regulations, the By-Laws or other Condominium Documents and fees for resident requests including, but not limited to, moving fees, fees for reservation of common spaces.

Section 3. Managing Agent and Manager.

The Board of Managers may employ for the Condominium a Managing Agent and/or a Manager, at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to the managing agent or manager, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (k), (n), (o) and (p) of Section 2 of this Article II.

Section 4. Election:

The Directors shall be elected at the Annual Meeting of Unit Owners or a Special Meeting called for that purpose as provided by law, by the highest number of votes cast for Directors at such meeting. Their term of office shall be until their respective successors are elected and qualify. A meeting to elect a new Board of Managers shall be held within sixty (60) days of fifty-one (51%) percent of the Condominium Units being sold or at the second annual meeting, whichever is sooner.

Section 5. Quorum:

A majority of the Directors then authorized by these By-Laws shall constitute a quorum.

Section 6. Vacancies:

Vacancies in the Board of Managers resulting from death, resignation, or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Directors present at the meeting at which such election is held even though no quorum is present, which may be at any regular meeting of the Board of Managers or any special meeting thereof called for such purpose. In the event of the failure to hold any election of Directors at the time designated for the annual election of Directors or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of Unit Owners to elect a new Board of Managers or fill such vacancy by an amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Directors by the amendment of these By-Laws, the Directors, if any, whose term of office shall

cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 7. Meetings:

The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Director of the Condominium or upon written request of any two (2) Directors then holding office, upon notice to each Director, by delivering personally, mailing, or telegraphing the same to him or her at least two (2) days prior to such meeting at the last address furnished by him or her to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of Directors at which all the members shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Directors may be held either at the principal office of the Condominium or elsewhere with the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Director shall be entitled to one (1) vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 8. Resignation and Removal:

Any Director may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein, and unless specifically requested, acceptance of such resignation shall not be necessary to make it effective.

Any Director may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least fifty-one (51%) of the votes of the Condominium, at a Unit Owner's meeting duly called for the purpose, provided, however that the Director(s) elected by the Owners of "Unsold Units" can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of Unsold Units.

Section 9. Annual Cash Requirements:

The Board of Managers shall, from time to time, determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges. The Board of Managers shall have discretionary power to prescribe the manner of maintaining and operating the building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive to all Unit Owners and any expenditures made by the Condominium's officers

or its agent under the Board of Managers or with the approval of the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose.

During the initial control period the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least fifty-one (51%) percent of the Common Interest of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting call for such purpose:

(i) Increase the number or change the type of employees from that described in the "Footnotes to Schedule B";

(ii) Provide for new or additional services from those indicated in the "Footnotes to Schedule B", unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;

(iii) Impose any rent, Common Charges, assessment or other charge (regular or special) against Unit Owners for the purpose of making any capital or major improvement or addition, unless required by law; or

(iv) Establish any reserves in addition to the Working Capital Fund, including a reserve for contingencies, repairs, improvements or replacements, other than a twelve (12) month reserve for contingencies not exceeding five (5%) percent of the budgeted operating expenses (exclusive of mortgage debt service) for the ensuing twelve (12) months of condominium operation.

However, notwithstanding anything herein to the contrary, the Sponsor, as Holder of Unsold Units, or other Holder(s) of Unsold Units, shall not veto the expenses set forth in Schedule B, or expenditures required to comply with applicable laws or regulations.

Section 10. Rules and Regulations:

The Board of Managers may from time to time adopt and amend such rules and regulations, as it may deem necessary, in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 11. Fidelity Bonds.

The Board of Managers shall obtain adequate fidelity bonds for all officers and employees of the Condominium handling or responsible for Condominium funds and for the Managing Agent. The premiums on such bonds, if obtained, shall constitute a Common Expense.

Section 12. Compensation.

No member of the Board of Managers shall receive any salary or compensation from the Condominium for services as Manager.

Section 13. Liability of the Board of Managers.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his, her or their interest in the Common Elements. Every agreement made by the Board of Managers, or the Managing Agent, or by the Manager, as the case may be, shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his, her or their interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

Section 14. Other Committees:

The Board of Managers may, by resolution duly adopted, appoint and create other committees as it shall deem appropriate and such committees shall have such powers and authority as the Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by the Sponsor or a Sponsor designee, so long as Sponsor or Sponsor designee has the right to designate a member of the Board, shall be appointed by the President of the Condominium. Such committee shall not have power to do any act which the Executive Committee may not do under subsections (a) – (d) of Section 2 of Article IV. The members of any such committee need not be a member of the Board of Managers, but must be eligible to be elected to the Board of Managers.

ARTICLE V

NOTICES

Section 1. Definitions:

Whenever, under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager, Unit Owner or mortgagee, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Manager, or Unit Owner or mortgagee at such address as appears on the books of the Condominium. Members of the Board of Managers may be given notice in writing personally delivered to them.

Section 2. Service of Notice Waiver:

Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges:

The Board of Managers shall from time to time, at least annually, prepare a budget for the Condominium, determine the amount of Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners according to their respective Common Interests. The Board of Managers, in apportioning expenses for insurance on the Building may take into consideration higher premium rates on some units than on others. The Board of Managers may also specially allocate and apportion profits and expenses to residential and/or non-residential units based on special or exclusive use or availability or exclusive control of particular unit owners in a manner different than in proportion to a Unit Owner's respective interest in the Common Elements. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Sections 2 and 3 of this Article VI and the fees and disbursements of the Insurance Trustee, if any. The Common Expenses shall also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium for a general operating reserve, and for a reserve fund for replacements, to

make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or his designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Unit(s). The Board of Managers shall also, where necessary, impose an assessment or additional Common Charge in order to meet any unanticipated Common Expense. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such charges are based, to all Unit Owners and to their mortgagees, if so required.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

While the Sponsor is in control of the Board of Managers the Sponsor will cause the Board of Managers to file a lien provided in Section 339-aa of the Real Property Law on Units in which Sponsor is more than 30 days in arrears in the payment of common charges.

Pursuant to Section 339-kk of the Real Property Law, all rental payments from the tenant of a Unit being rented by a non-occupying Unit Owner shall be made payable to the Condominium in the event the non-occupying Unit Owner shall fails to make payments for common charges, assessments, or late fees within sixty (60) days of the expiration of any grace period after they are due. The Board of Managers shall provide written notice to the tenant and the non-occupying Unit Owners that all subsequent rental payments are to be payable to the Condominium and delivered to the address listed on the notice. When payments are once again current, notice shall be given to the tenant and non-occupying Unit Owner within three (3) business days and all subsequent rent payments shall be payable to the non-occupying Unit Owner.

By April 15 a financial statement of the Condominium shall be prepared by a public accountant or certified public accountant. Such statement shall be certified during the period of Sponsor control.

Until the earlier of (i) the fifth anniversary of the First Unit Closing, or (ii) such time as the Holders of Unsold Units hold less than twenty-five (25%) of the units, the Board of Managers will not take any of the following actions unless Unit Owners owning at least fifty-one (51%) percent of the Common Interest approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

(i) Increase the number or change the type of employees from that described in the notes to Schedule B, "Projected Budget for First Year of Operation";

(ii) Provide for new or additional services from those indicated in the notes to Schedule B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;

(iii) Impose any rent, Common Charges, assessment or other charge (regular or special) against Unit Owners for the purpose of making any capital or major improvement or addition, unless required by law; or

(iv) Establish any reserves or addition to the Working Capital Fund as established under the Plan, including a reserve for contingencies, repairs, improvements or replacements, other than a twelve (12) month reserve for contingencies not exceeding five (5%) percent of the budgeted operating expenses (exclusive of mortgage debt service) for the ensuing twelve (12) months of Condominium operation.

However, notwithstanding anything herein to the contrary, the Sponsor, as Holder of Unsold Units, or other Holder(s) of Unsold Units, shall not veto the expenses set forth in Schedule B, entitled "Projected Budget for First Year of Operation" or expenditures required to comply with applicable laws or regulations.

Notwithstanding the foregoing, the Board of Managers may take any of the actions enumerated in clauses (i) through (iv) above, if the cost of such actions, when added to all other budgeted expenses of the Condominium (excluding debt service), shall not result in increasing the Common Charges for any year of operation by more than five (5%) percent from the previous year's common charges.

Section 2. Real Estate Taxes, Water Charges and Sewer Rents:

(A) Water for the building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector:

i. The Unit Owners shall pay to the Board of Managers at least fifteen (15) days before same become due and payable the cost of any such taxes, charges and rents as a Special Assessment;

ii. The Board of Managers shall collect such monies from the Unit Owners.

In the event of a proposed sale of any Unit, the Board of Managers (for so long as the Board of Managers is still paying such real estate taxes, water charges and sewer rents as

agent for the Unit Owners) shall, upon the written request of the Selling Unit Owner, execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of closing of title to such Unit.

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

Section 3. Insurance:

The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the building containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers, but in no event to be less than eighty (80%) percent of the full replacement cost of the building, including the above noted items, but exclusive of footings and foundations, as approved by a fire insurance company or a qualified insurance broker; each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee, if any, as herein provided; (2) worker's compensation insurance, if the Condominium has employees; (3) a fidelity bond or bonds in sufficient amounts to fully protect the interests of the Condominium, shall be carried on each member of the Board of Managers, officers of the Condominium, Managing Agent and Managers, including any person or persons handling or responsible for funds of the Condominium; (4) disability benefits insurance if the Condominium has employees; and (5) such other insurance as the Board of Managers may determine. All policies of physical damage insurance shall provide that adjustment of loss shall be made by the Board of Managers (with the approval of the Insurance Trustee, if any, if more than $50,000.00), and that the total proceeds thereof, if

$50,000.00 or less, shall be payable to the Board of Managers, and if more than $50,000.00, shall be payable to the Insurance Trustee, if any.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners or of invalidity arising from any acts of the insured or any Unit Owners, and the individual Unit Owners as well as the Condominium shall be primary insureds to the extent as their interests shall also appear. Such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies if so requested in writing by them.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the Managing Agent, the Manager and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of at least $1,000,000.00 covering all claims for bodily injury with respect to any one occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. Such policies shall be so endorsed so as to state that they will in no way conflict with any insurance carried by the Board of Managers.

The Condominium or its' Board of Managers hereby gives mortgagee on a unit in the condominium project the right to timely written notice of:

1. Any condemnation or casualty loss that affects either a material portion of the building or the unit securing its mortgage; and
2. A lapse, cancellation, or material adverse modification of any insurance policy maintained by the condominium; and
3. Any adverse material use of insurance requiring fifty-one (51%) percent mortgagee consent.

If, by reason of the occupancy or use of either a Commercial Unit or a Residential Unit, the rate of fire or liability insurance for the Property shall be increased, such Unit Owner

shall (if such occupancy or use continues for more than thirty (30) days after written notice from the Board of Managers specifying the occupancy or use) become liable for the additional insurance premiums incurred by the Condominium as if such additional premium constituted an assessment.

Section 4. Repair or Reconstruction After Fire or Other Casualty:

In the event of damage to or destruction of the building containing the Units as a result of a fire or other casualty resulting in less than seventy-five (75%) percent of the building containing the Units being destroyed or substantially damaged, the Board of Managers shall arrange for the prompt repair and restoration of the building containing the Units (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other improvements or other furniture, furnishings, fixtures, appliances or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Building containing the Units is destroyed or substantially damaged (as determined by the Board of Managers) and Unit Owners whose percentage of Common Interest totals seventy-five (75%) percent in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 4, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first payment out of the share of each Unit Owner the amount of any unpaid liens on his, her or their Unit, in the order of the priority of such liens.

Whenever in this Section the words “promptly repair” are used it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notified the Board of Managers and the Unit Owner or Unit Owners that it shall hold proceeds of insurance funds sufficient to pay the estimated costs of such work; or not more than ninety (90) days after the Insurance Trustee notified said Board of Managers and Unit Owner or Unit Owners that such funds are insufficient to pay said estimated costs and advising them of the amount of the required completion bond, if necessary, or in the

event there is no Insurance Trustee, not more than sixty (60) days from the date of receipt of insurance funds on account of such damage or destruction and wherever the words "promptly resolve" are used , it shall mean not more than sixty (60) days from the date of receipt of said insurance funds.

Section 5. Payment of Common Charges.

All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit, together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his, her or their Unit is free and clear of liens and encumbrances, other than permissible encumbrances and the statutory lien for unpaid Common Charges, convey his, her or their Unit, together with the "Appurtenant Interests" to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed and unpaid against such Unit prior to the acquisition by him or her of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for and such Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the foreclosure sale.

All Unit Owners (including Sponsor with respect to Unsold Residential Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Board of Managers pursuant to the terms of this section at such time or times (but not less than annually) as the Board of Managers shall determine. Unless otherwise determined by the Board of Managers, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Board of Managers shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and in any sums unpaid on a Permitted Mortgage recorded against unit.

Notwithstanding anything to the contrary contained in the paragraph above, during the Sponsor Control Period, the Board of Managers, in its sole discretion, shall have the right to waive all Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Board of Managers, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid by

Sponsor. Upon commencement of the collection of Common Charges from all Unit Owners, no assessment will be imposed for any item set forth in the approved budget for the Condominium. The Board of Managers shall remain obligated to update the budget in accordance with Law.

No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article VI hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording such of Permitted Mortgage and prior to the acquisition of title to such 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 Unit Owner shall remain fully liable for the payment of all unpaid 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 Board of Managers in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid 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 of the time the same is levied. In the case of the Retail Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Retail Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time the same is levied.

Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Board of Managers or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such 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 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 Board of Managers and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Residential Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Residential Common Interests then appertaining to all

Residential Units, at least five (5) years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Board of Managers an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Board of Managers, without compensation, pursuant to the terms of this section hereof). Except as expressly provided to the contrary in blank section, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including without limitation, such Unit) pursuant to the terms of this section hereof; or (iii) any action taken by the Board of Managers or the officers of the Condominium to comply with Law.

Section 6. Collection of Common Charges and Assessments:

The Board of Managers shall assess Common Charges against the Unit Owners from time to time, at least annually, and shall take prompt action to collect any Common Charges due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date thereof. Common Charges and assessments shall be paid by the fifth day of the month in which they are due or they shall be deemed to be late. The Board of Managers shall have the right to place a lien against a Unit whose Owner fails to pay common charges for the Unit within fifteen (15) days of same becoming due and payable.

A Common Charge premium payment is applicable for certain 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 Board of Managers 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 Board of Managers 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. If the Board of Managers applies or retains any part of

said security, the Unit Owner in question, within ten (10) days after notice from the Board of Managers, shall deposit with the Board of Managers the amount so apply or retained so that such Board of Managers has the full amount of said security on hand at all times.

Section 7. Default in Payment of Common Charges or Assessments:

In the event of default, after notice in writing with thirty (30) days to cure, by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including late fees charged by the Board of Managers and attorneys' fees incurred by the Board of Managers in any proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting, after notice in writing and thirty (30) days to cure, in the payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

The Board of Managers shall take prompt action to collect any Common Charges due to the Board of Managers that remain unpaid for more than ten (10) 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. All costs and expenses incurred by the Board of Managers (including attorneys' fees, costs and disbursements) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Board of Managers shall have the right and obligation to cause liens for all sums due and owing to the Board of Managers 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 deem necessary or desirable by the Board of Managers to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Board of Managers by reason of such nonpayment pursuant to the terms of this Article hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

In the event any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at a 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 Board of Managers, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, attorneys' fees and disbursements and court costs; (ii) a late charge of $150.00 per month for Common Charges which remain unpaid for more than ten (10) days after the date when due, plus all expenses of collection, including, but not limited to, attorneys' fees, costs and disbursements, and such amount as may be determined by the Board of Managers from time to time, to be computed from the due date thereof until paid in full. In addition, if the Board of Managers shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the 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, and costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Board of Managers shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokers commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Board of Managers 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 Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the 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 unit owner, or a release or discharge of any of the Obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Board of Managers, the Board of Managers shall have the right to commence

summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Board of Managers (including attorneys' fees, costs and disbursements) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

Section 8. Foreclosure of Liens for Unpaid Common Charges:

In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same (but not to vote the votes appurtenant to). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 9. Statement of Common Charges and Assessments:

The Board of Managers, Managing Agent or Manager shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 10. Abatement and Enjoinment of Violations by Unit Owners:

The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or for the safety of the Property of the Condominium or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach; and/or (c) in any event, charge the Unit Owner with the cost of reasonable legal and other fees and costs incurred in enjoining, abating or remedying such violation.

Section 11. Maintenance and Repairs:

a. All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting the exterior side of Unit entrance door), windows

(except painting the exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures, air conditioning units and appliances, if any, within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, excepting as otherwise specifically provided herein.

b. All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of or directly or indirectly caused by or on behalf of a Unit Owner or their guest, provider, contractor or employee, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed (a) by the Board of Managers as a Common Expense, if such Limited Common Elements involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, all necessary waterproofing of the Limited Common Elements except as set forth below, and the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or (b) the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements, including but not limited to painting, decorating and/or maintenance, waterproofing, repair and/or replacement of decking, tile or other terrace or roof deck surface adjacent to the Units, terrace or roof railings and/or means of roof or terrace access constructed or installed by or at the request of the Unit Owner, or as a result of the Unit Owner's negligence, misuse or neglect.

Section 12. Restrictions on Use of Units and Ancillary Amenities.

In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

a. The Residential Units shall be used only for a private residence, except that a Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinance, building code or other rules and regulations of governmental authorities having jurisdiction thereof. Notwithstanding the foregoing, the Sponsor or Sponsor-designee shall have the right, without charge (i) to maintain general, sales or leasing offices in one or more Units or elsewhere on the Property, to use one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete

construction of the Building or Units and to comply with its obligations. Except as hereinafter provided, any Commercial Units may be used for any legal use permitted by the certificate of occupancy, the Zoning Resolution of the City of New York or other applicable laws, including any grandfathering of prior uses. In addition, any Commercial Unit Owner or tenant thereof may install, maintain and repair signs for advertising and identification purposes in accordance with applicable law.

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

c. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d.

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

e.

With the exception of a Commercial Unit, no portion of a Unit other than the entire Unit, including any Limited Common Elements appurtenant thereto may be rented. Portions of the Commercial Unit may be rented to the same or different persons or entities.

f.

The owners, tenants, occupants, or other users of the Retail Unit will not be objectionable to Residential Unit Owners, their Permitted Users, or any other parties. Notwithstanding anything to the contrary contained in the Plan or elsewhere, the use of the Retail Unit is subject to the following restrictions: (1) the Retail Unit may not be used for any of the following purposes at any time: (i) a cabaret, a nightclub, or any use involving continuous live or recorded music, entertainment, and/or dancing, (ii) a massage parlor, an adult theater, a peep show establishment, or a topless or bottomless bar, (iii) a video arcade, a betting parlor, a gambling casino, or any other gambling related establishment, (iv) for any use that is primarily concerned with lewd or prurient sexual activity, (v) a homeless shelter or any center offering food or other special services to the homeless. With the exception of the foregoing restrictions and limitations, the Retail Unit

may otherwise be used for any purpose permitted by Law and no representation is made with respect to the uses to which any portion of the Retail Unit may be put at any time. The backyard Limited Common Element attributed to the Retail Unit may not be used for any permanent occupancy condition.

g.

The Ancillary Amenities shall be subject to the following use restrictions:

The Storage Rooms may be used only for the storage of personal effects of a Residential Unit Owner or its Permitted Users, and in no event shall any food or other perishable items, 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 Room for any purpose permitted by law or to change the permitted use of any unassigned Storage Room, subject, however, to the provisions of the By-Laws. Except for Sponsor and the Board of Managers, a Storage Room may not be licensed independently of a Residential Unit.

h.

The Ancillary Amenities described under this Article will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Ancillary Amenity Licensees. The Board of Managers, its agents and employees, and the Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Ancillary Amenities.

Section 13. Additions, Alterations or Improvements by Board of Managers:

Subject to the provisions of these By-Laws, whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements (but not maintenance) costing in excess of $5,000.00, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Charge. Any additions, alterations or improvements costing $5,000.00 or less may be made by the Board of Managers without approval of the Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 14. Additions, Alterations or Improvements by Unit Owners:

Except as provided below, no Unit Owner shall make any addition, alteration or improvement in or to his, her or their Unit, which is structural or which affects the exterior of the Building or the value of other Units, without the prior written consent thereto of the Board of Managers, which consent shall not be unreasonably withheld. In connection with the approval of any addition, alteration or improvement by a Unit Owner as required herein, the Board of Managers may require that such Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work. Such agreement may include, but shall not be limited to, provisions for adequate insurance, indemnification of the Condominium and Board of Managers, submission of all plans and specifications to the Board of Managers, and restrictions on the hours during which the work may be done. Any application to any Department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialperson 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.

In the event the Board of Managers grants its consent, to any addition, alteration or improvement to be made by a Unit Owner in accordance with the provisions of this Section 14, such consent shall be deemed to provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's compensation insurance (certificates of which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary, due to additional stresses caused by such addition, alteration, or improvement, or due to improper design or construction of such addition, alteration, or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and for any services provided in connection with such addition, alteration, or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 14 which require the consent of the Board of Managers in connection with a structural addition, alteration or improvement in or to a Unit which is structural or which affects the exterior of the Building or the value of other Units shall not apply to Units owned by the Sponsor, his designee, or a Commercial Unit Owner.

Sponsor, his designee, or a Commercial Unit Owner shall not need such consent. All other provisions of this Section 14 shall apply to all Units. For example, with respect to such addition, alteration or improvement to a Sponsor-owned Unit, or a Commercial Unit, such work shall be at the sole cost and expense of the Sponsor and/or his designee or a Commercial Unit Owner, and shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances. All work must be done by reputable contractors with adequate liability, property damage and Workers' Compensation insurance (certificates of which shall be delivered to the Board of Managers prior to the commencement of construction). Any such additions, alterations or improvements, shall be maintained in their entirety by said Sponsor, his designee, or a Commercial Unit Owner, as the case may be, who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary, due to additional stresses caused by any addition, alteration, or improvement, or due to improper design or construction of the structural addition, alteration, or improvement. Additionally, the Sponsor, his designee and/or a Commercial Unit Owner, as the case may be, shall reimburse the Board of Managers any reasonable out-of-pocket expenses incurred by the Board of Managers for any services provided in connection with such addition, alteration, or improvement.

Non-structural additions, alterations or improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers, except that the Board of Managers may require that the Unit Owner enter into a written agreement, reasonably satisfactory to the Board of Managers, regarding such work as required for additions, alterations or improvements which require the consent of the Board of Managers, prior to commencing such work.

Section 15. Alterations, Additions, Improvements, or Repairs in and to Units

Subject to the terms of this section, no Residential Unit 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 approval of the Board of Managers. Prior to, and as a condition of, the granting of any such approval, the Board of Managers 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 Board of Managers may reasonably prescribe; and (ii) execute an alteration agreement, in form and substance satisfactory to the Board of Managers, setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including without limitation, the indemnity referred to in this section and the days and hours during which any such work may be done. The Board of Managers shall have the right to approve Unit Owner's contractors and materialmen. In connection with such alterations, additions, improvements and/or repairs, each Residential Unit Owner shall employ only such laborers and other workers as shall not conflict with any other worker employed in

the Building or otherwise cause disharmony with any Building service union. Residential Units Owners shall not be permitted to engage any Building staff or any contractors or sub-contractors engaged by either the Board of Managers or Sponsor in connection with a Residential Unit Owner's alterations, additions, improvements or repairs to such Residential Unit. The Condominium may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

Notwithstanding anything to the contrary obtained in this section, however, Sponsor shall have the right, pursuant to the terms of the Declaration, without the approval of the Board of managers, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan, to (i) make alterations, additions, improvements, or repairs in or to the interior portions of Unsold Residential Units and their appurtenant Residential Limited Common Elements, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in each Unsold Residential Unit and (ii) without amendment to the Plan, subdivide and/or change combine any Unsold Residential Unit and/or change any Unsold Residential Units in size by relocating a boundary wall between Unsold Residential Units and/or otherwise change the size and/or number of Unsold Units. In addition, the Retail Unit Owner and its Permitted Users shall have the right, pursuant to the terms of the Declaration, without approval of the Board of Managers, Managing Agent, other Unit Owners, or Mortgage Representatives, if any, and without amendment to the Plan, to (i) make alterations, additions, improvements, or repairs in and to the interior portions of the Retail Unit, whether structural or non-structural, ordinary or extraordinary, including without limitation any alterations with respect to the type, number, or layout of rooms in the Retail Unit, and (ii) subdivide and/or combine the Retail Unit and/or change the Retail Unit in size by relocating a boundary wall between the Retail Unit. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Retail Unit Owner, prior to the making of any alteration, addition, improvement or repair in and to their respective Unit and its appurtenant Residential Limited Common Elements, if any, must (i) procure and maintain such insurance as the Board of Managers may reasonably require, (ii) indemnify the Board of Managers and the Managing Agent against any liability arising from the work and (iii) comply with the Law.

All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with the Law. In connection therewith, the Board of Managers shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements or repairs in or to a Unit, provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Residential Limited Common Elements (but other than that permitted by Sponsor pursuant to the terms of this section hereof) the same was approved by the Board of Managers pursuant to the terms of the first paragraph of this Section 15.

Neither the Board of Managers nor any Unit Owner (other than the Unit Owner making any alterations, additions, improvements or repairs, or causing any of the same to be made, in or to the Unit and 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 this section; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, additions, improvements, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner making any alterations, additions, improvements, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Residential Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Board of Managers, if the Board of Managers shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Board of Managers, the Members of the Board of Managers, the officers of the Condominium, the Managing Agent, and all other Unit Owners harmless from and against any such liability, cost and expense.

In addition to the requirements set forth above in this Section 15, until a Permanent Certificate of Occupancy is obtained for the Building, no Residential Unit Owner shall make any alterations in or to the Residential Unit or its appurtenant Common Elements without first notifying the Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

a. such work not include any change that would result in delay in obtaining a TCO ("Temporary Certificate of Occupancy") or PCO ("Permanent Certificate of Occupancy") for the Building, or any amendment to, or extension of, the TCO or PCO if theretofore issued;
b. 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;
c. such work not be commenced until the Residential Unit Owner causes all 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 plans, specifications, notices, certifications, permits and licenses to the Sponsor;
d. 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;
e. Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;
f. 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;

g. 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connections with the same; and

h. all contractors shall be duly licensed to the extent required by the 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, or the Board of Managers), 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 reasonable requirements of the Sponsor in connection with the alterations, the Sponsor 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 Building 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 TCO or PCO for the Building (or any amendment to, or extension of, the TCO or PCO), whether or not such work shall be in compliance with the plan 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 fifteen (15) days of Sponsor's written demand therefor.

Section 16. Alterations, Additions, or Improvements to the Common Areas

Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Board of Managers, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or the Residential Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Board of Managers, exceed $500,000.00 with respect to the General Common Elements

or the Residential Common Elements and/or the Residential Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions, or improvements shall not be made unless first approval by the Unit Owners, if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or Residential Limited Common Elements (including the Sponsor if the Sponsor owns any Unsold Residential Unit) owning 66 2/3% of the aggregate Common Interests or Residential Common Interests, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000.00 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the 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 Common Elements is required to (i) comply with the Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium insurer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) five (5) years from the First Closing or (ii) until such time as Sponsor no longer owns 25% in number of all Residential Units.

Section 17. Use of Common Elements and Facilities:

A Unit Owner shall not place or cause to be placed in the lobby, public halls, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-designee shall have the right to use the Common Elements, without charge, for the purposes set forth in Section 11 of this Article VI.

Section 18. Right of Access:

A Unit Owner shall grant a right of access to his Unit, to the Manager and/or the managing agent and/or any other person authorized by the Board of Managers, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his, her or their Unit or elsewhere in the building, or remedying any condition which would violate the provisions of any mortgage encumbering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by these By-Laws, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present

at the time or not. In the event of the exercise of the right of access provided for in this Section 18, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article VI.

Section 19. Rules of Conduct:

Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers.

The vote of a majority of Unit Owners at a meeting may overrule the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial Rules and Regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A. Notwithstanding this provision, for as long as Sponsor or his designee remains the Owner of one or more Units, the Rules and Regulations of the Condominium may not be amended or modified in any way so as to adversely affect Sponsor or his designee without Sponsor's prior written consent.

Section 18. Water Charges and Sewer Rents:

Water shall be supplied to all of the Residential Units and Commercial Units and the Common Elements through one or more building meters or pursuant to a frontage charge, and the Board of Managers shall pay, as a Common Expense, all charges for water consumed by the Residential Units and Commercial Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event separate water meters are installed for each Commercial Unit, the Commercial Unit Owners shall reimburse the Condominium in full for such usage and any fees associated with monitoring or assessing water usage by the Commercial Unit as additional common charges. In such event, the common charges payable by the Commercial Unit owners shall not include any portion of the water charges attributable to the Residential Units. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Unit as of the date of closing of title to such Unit, promptly after such charges shall have been billed.

Section 20. Utilities.

Except for telephone, electricity, and gas in each Unit all utilities shall be paid for by the Condominium as a Common Expense.

Section 21. Vault Charges.

All license fees and all periodic taxes and charges for street vaults or other protrusions, if

any, beyond the lot line shall be paid by the Board of Managers as a Common Expense.

ARTICLE VII

MORTGAGES

Each unit owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in this Article.

Section 1. Notice to Board of Managers.

A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers; the Board of Managers or the Secretary, if any, shall maintain such information in a book entitled "Mortgages of Units". The terms and conditions contained in this section, however, shall not apply to the Sponsor or the Retail Unit Owner.

Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Board of Managers with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Board of Managers and shall file a conformed copy of the Satisfaction of Mortgage with the Board of Managers.

Section 2. Notice of Unpaid Common Charges:

The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's default, including non-payment of Common Charges, in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default:

The Board of Managers shall promptly report to any Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments for more than sixty (60) days or whenever requested in writing by a Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the observance or performance of any of the provisions of the Condominium Documents as to which the Board of Managers has knowledge then exists. The Board of Managers shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Board of Managers shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium

Documents, provided that (i) the Board of Managers shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Board of Managers shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Article VII hereof by reason of such default, the Board of Managers shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Board of Managers pursuant to the Condominium Documents) or such lesser some as shall be due and owing to such Permitted Mortgagee.

Section 4. Examination of Books:

Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium, during business days, at reasonable times, upon reasonable notice to the manager, managing agent or Board of Managers, but not more than once a month.

Section 5. Mortgagee Rights and Obligations:

a. The By-Laws can only be amended with respect to items that have a materially adverse impact on mortgagee with the approval of fifty-one (51%) percent mortgagee approval;

b. The Condominium can only be terminated for substantial destruction or condemnation without mortgagee approval and termination for any other cause only with 51% of mortgagees;

c. The Board of Managers may imply approval when a mortgagee fails to respond after sixty (60) days written notice of any change requiring mortgagee approval provided notice was delivered by certified or registered mail to the mortgagee with return receipt requested;

d. The Board of Managers shall notify mortgagees under the following circumstances: (1) Any condemnation or casualty loss, (2) a sixty (60) day delinquency of condominium common charges or assessments on a mortgaged unit, (3) a lapse-cancellation or material change to the master insurance policy, and (4) any action that requires consent of a specified percentage of mortgagees;

e. There is no grant of priority to any party over the first mortgagee of a unit regarding the insurance proceeds or condemnation awards;

f. The mortgagee of a unit shall not be responsible for more than six (6) months unpaid common charges or assessments when a unit is obtained by a mortgagee by foreclosure or "deed-in-lieu";

g. Consent of fifty one (51%) percent of mortgagees is required for any material use of insurance proceeds;

h. The Board of Managers shall give notice to mortgagees of units of any condemnation or casualty loss that effects either a material portion of the building or the unit secured by its mortgage.

Section 6. Restrictions on Mortgaging.

a. No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until such Unit Owner shall have paid in full to the Board of Managers all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages Levied against such Unit.

b. No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interest, 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 interest shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

c. Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

d. Any mortgage covering a Unit shall be held by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 7. Performance by Permitted Mortgagees.

Any sum of money to be paid or any act to be performed by the Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by such Unit Owner's Permitted Mortgagee, and the Board of Managers shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8. Consent of Mortgagees; Designation of Mortgage Representatives.

a. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board of Managers or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against a Unit Owner's mortgage. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of this section, shall be deemed binding upon the holders of all mortgages encumbering Units.

b. The holders of Institutional Mortgages constituting a majority in principle amount of all Institutional Mortgages may, if they so elect, designate not more than three (3) Mortgage Representatives by giving written notice thereof to the Board of Managers, which Mortgage Representative shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgages under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph be shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Board of Managers. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

Section 9. Notice to Permitted Mortgagees.

A. Whenever requested by a Permitted Mortgagee, the Board of Managers shall provide timely written notice to such Permitted Mortgagee of (i) any condemnation or casualty loss that affects either (x) a material portion of the Condominium or (y) a material portion of a Unit, (ii) a lapse, cancellation or material modification of any insurance policy maintained by the Condominium, and (iii) any proposed action by the Board of Managers that requires the consent of a specified percentage of Permitted Mortgagees or the approval of the majority of the Mortgage Representatives.

B. In no event, however, shall the Board of Managers (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any claims or liabilities and expenses for any failure, through oversight or negligence, in giving a Permitted Mortgagee any notice required under the paragraph above.

Nonetheless, the Board of Managers shall give such missed notice with reasonable promptness after discovering such a failure.

C. Where the consent of the Permitted Mortgagees or Mortgage Representatives is required pursuant to the terms of the Declaration or By-Laws, if the Permitted Mortgagees or Mortgage Representatives fail to respond within sixty (60) days after written receipt of the required consent, delivered by either certified or registered mail, "return receipt" requested, the implied approval of such Permitted Mortgagees or Mortgage Representatives shall be assumed.

ARTICLE VIII

SALES, LEASES, MORTGAGES OF UNITS, AND ANCILLARY AMENITY LICENSE ASSIGNMENTS

Section 1. Sales and Leases:

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 RIGHT, IF ANY, OF THE BOARD OF MANAGERS AND THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF ARTICLE VIII OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED".

No Unit Owner other than the Sponsor or Sponsor-designee may sell or lease his Unit or any interest therein except by complying with the provisions below. Subject to the provisions of this Article VIII and the procedures established by the Board of Managers each Residential Unit Owner in compliance with this Article VIII may (i) sell the Residential Unit and (ii) lease the Residential Unit for periods of not less nor more than one (1) year. Sponsor or Sponsor-designee need not comply with any such provisions.

Any Unit Owner who receives a bona fide offer for the sale of his Unit together with: (i) the undivided interest in the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or his designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration (hereinafter collectively called the "Appurtenant Interests"); or a bona fide offer for a lease of his Unit (such proposed sale or lease, as the case may be is hereinafter called an "Outside Offer"), which he intends to accept, shall give notice by hand or by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed

purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or his designee, corporate or otherwise, on behalf of the Owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has received such offer, to the Board of Managers, on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by his designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by his designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer but in no event less than forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the Appurtenant Interests, is to be sold, shall convey the same to the Board of Managers, or to his designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to his designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or his designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or his designee fails to notify the offering Unit Owner of its decision to accept such offer within twenty (20) days after receipt of notice as aforesaid or to notify the offering Unit Owner within such (30) day period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within sixty (60) days after the expiration of the twenty (20) day period in which the Board of Managers or his designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned,

without the prior written consent of the Board of Managers, and that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, and that the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease for Residential Units shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Board of Managers. In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such Outside Offer, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another outside offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VIII.

A reasonable fee shall be fixed to cover the actual expenses and attorney's fees of the Transfer Agent upon the resale of Units.

Each lease shall be consistent with the Condominium Documents and shall expressly provide, that:

(i) such lease may not be amended, modified, or extended without the prior approval of the Board of Managers in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior approval of the Board of Managers in each instance; and

(iii) the Board of Managers shall have the power to terminate such lease and/or to bring a summary proceeding to evict a tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers.

Section 2. Consent of Unit Owners to Purchase or Lease of Units by Board of Managers:

The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority of the Unit Owners and the unanimous consent of Holders of Unsold Units.

Section 3. No Severance of Ownership:

No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention hereof 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 Appurtenant Interests of any Unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest or interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal:

The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers, in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal:

A certificate, executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers and the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers in favor of all persons who rely thereon in good faith. Such certificates shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request.

Section 6. Financing of Purchase of Units by Board of Managers:

Acquisition or lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and Common Charges in the possession of the Board of Managers, or, if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner, other than the offering Unit Owner, in proportion to his, her or their ownership in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article VI, or, the Board of Managers, in its discretion, may

borrow money to finance the acquisition or lease of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired or leased by the Board of Managers. Notwithstanding the above, no assessment may be levied under this Section 6 against any mortgagee who has acquired title to a Unit, whether by foreclosure or deed in lieu hereof.

Section 7. Exceptions:

The provisions of Section 1 of this Article VIII shall not apply with respect to any sale or conveyance or lease by a Unit Owner of his, her or their Unit, together with the Appurtenant Interests, to his, her or their spouse or to any of his, her or their children or to his, her or their parent or parents or to his, her or their brothers or sisters, or any one or more of them, or to any Unit owned by the Sponsor or Sponsor-designee, or to the acquisition or sale of any Unit, together with the Appurtenant Interests, by a mortgagee herein authorized who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure or to the sale or lease of a Commercial Unit. However, the provisions of this section shall apply with respect to any purchaser of a Unit from a mortgagee.

Section 8. Gifts and Devises, etc.:

Any Unit Owner shall be free to convey or transfer his Unit by gift or to devise his Unit by will, or to pass the same by intestacy, without restriction.

Section 9. Waiver of Right of Partition with Respect to Such Units as are Acquired by the Board of Managers or its Designee, on Behalf of All Unit Owners as Tenants in Common:

In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit. Thus no Unit Owner shall have the right to seek judicial sale of a Unit acquired by the Board of Managers through an act of partition.

Section 10. Payment of Common Charges and Assessments:

No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his, her or their Unit unless and until he, she or they shall have paid in full to the Board of Managers all unpaid Common Charges and assessments theretofore assessed by the Board of Managers against his, her or their Unit and until he, she or they shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units:

No Residential Unit Owner shall mortgage his Unit, except by a first and/or second mortgage made to a bank, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender or a purchase money mortgage made to the Sponsor, Sponsor-designee, or to the seller of the Unit. Any such mortgage shall be substantially in the form on file with the Board of Managers, except for such changes or additions as may be required in order to permit the particular institutional lender to make the mortgage loan, or to the extent permitted by the Board of Managers. A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, prior to the Sponsor's relinquishing control of the Board of Managers, or the Board of Managers, subsequent to the release of control by the Sponsor. Such approval shall be in the sole and absolute discretion of Sponsor or the Board of Managers as the case may be. Prior to or simultaneously with the closing of any mortgage, the Unit Owner must satisfy all arrearages for unpaid Common Charges or assessments and discharge any liens therefor.

ARTICLE IX

CONDEMNATION AND TERMINATION

Section 1. Condemnation:

In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers, if such award amounts to $50,000.00 or less, and to the Insurance Trustee, if any, if such award amounts to more than $50,000.00. If seventy-five (75%) percent or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five (75%) percent or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination:

The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the property from the provisions of the New York Condominium Act if authorized by an

affirmative vote of Unit Owners who own not less than eighty (80%) percent in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless eighty (80%) percent in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his, her or their Unit are subject are paid off.

ARTICLE X

RECORDS

Section 1. Records and Audits.

The Board of Managers or the managing agent or manager shall keep detailed records of the actions of the Board of Managers and the managing agent or manager, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. In addition, it is the obligation of the Board of Managers of the Condominium to give to all Unit Owners annually, the following:

(a)

The financial statement of the Condominium prepared by a certified public accountant or, public accountant within 120 days after the end of each calendar year for the prior fiscal year;

(b)

Prior notice of the annual Unit Owner's meeting;

(c)

A copy of the proposed annual budget, if any, of the Condominium.

ARTICLE XI

MISCELLANEOUS

Section 1. Invalidity.

The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provision thereof.

Section 3. Gender.

The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. Waiver.

No restriction, condition, obligation or provision contained in these By-Laws, 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 thereof which may occur.

Section 5. Insurance Trustee.

The Insurance Trustee, if selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of each of the holders of three (3) or more Unit first mortgages). In the event that the Insurance Trustee shall resign, the new Insurance Trustee shall also be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of each of the holders of three (3) or more Unit first mortgages). The Board of Managers shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense of the Condominium.

Section 6. Definition of "Mortgagee".

As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage, which shall be a lien on a unit.

ARTICLE XII

CERTIORARI PROCEEDINGS

Each Unit Owner authorizes the Board of Managers, in its sole discretion, to prosecute proceedings for reduction of real estate tax assessments (certiorari) for the entire Condominium and to retain legal counsel in the name of the Condominium for that purpose and to pay such legal counsel its reasonable fees, disbursements and expenses pursuant to a written retainer agreement to be entered into with such counsel. Any fees or disbursements or expenses incurred shall be reimbursed by each Unit Owner as an addition to Common Charges in the same proportion as the Unit's percentage interest in the Common Areas unless such fees, disbursements and expenses are the result of a

reduction of assessment, in which event the Unit's share of such fees and disbursements shall be in the same percentage as the reduction of assessment (and resulting benefit by savings or refund), as each unit bears to the total reduction of assessment for the entire Condominium. Each Unit Owner undertakes and agrees not to prosecute separate tax proceedings on its own behalf unless the Board of Managers of the Condominium, after written request from any Unit Owner, advised that it will not pursue such proceeding on behalf of the entire Condominium

Toward that end the Board of Managers is authorized to execute, acknowledge and deliver any documents or other instruments necessary to commence, pursue, compromises or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units for the benefit and on behalf of all Unit Owners and each such Unit Owner hereby indemnifies the Board of Managers from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

ARTICLE XIII

AMENDMENTS TO THE BY-LAWS

Section 1. Amendment to By-Laws:

These By-Laws may be modified or amended by the vote of sixty-six and two-thirds (66 2/3%) percent in number and in Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

Notwithstanding any other limitation or provision set forth herein Sponsor or Sponsor's designee may amend the Declaration and By-Laws without consent of either the Board of Managers or Unit Owners provided such amendment does not materially affect a Unit Owner without such Unit Owner's consent.

For as long as the Sponsor or Sponsor's designee remains the Owner of one or more Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be amended or modified in any way so as to adversely affect Sponsor or Sponsor's designee, in Sponsor's sole discretion, without Sponsor's prior written consent.

ARTICLE XIV

Conflicts

Section 1. Conflicts:

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the

provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XV

ARBITRATION

Section 1. Procedure:

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event the American Arbitration Association shall not be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement:

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium documents may, by written agreement vary any of the terms of Section 1 hereof with respect to 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 Civil Practice Law and Rules of the State of New York and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect:

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon on all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Costs and Expenses:

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 and costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his/her counsel and expert witnesses.

All costs and expenses paid or incurred by the Board of Managers in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

SCHEDULE A
(ADDENDUM TO BY-LAWS)

RULES AND REGULATIONS

OF

THE HOMAGE ON 3RD STREET CONDOMINIUM
497 3RD STREET, BROOKLYN, NY 11215

THE "HOUSE RULES"
EFFECTIVE JUNE 1, 2020

These House Rules may be added to, amended or repealed at any time by resolution of the Board of Managers (the "Board").

The Board has the right to inspect an apartment in the Unit Owner's presence within twenty-four (24) hours of written notice of suspicion of a violation of the house rules or by-laws or in case of required non-emergency repairs. No advance notice is required for access in the case of Board deemed emergencies.

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No Residential Unit or Residential Storage Room 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.

3. Nothing shall be hung or shaken from any doors, windows, terraces or balconies or placed upon the windowsills of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

4. There shall be no playing or lounging in the entrances, passages, public hallways, elevators, vestibules or corridors of the Building.

5. Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Residential Unit Owner shall permit anything to be done or kept in the Residential Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No 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.

6. There shall be no barbecuing inside the Residential Units. No propane or combustible tanks for grilling may be used for barbecuing on any balcony, terrace or roof.

7. 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 Unit Owner's Unit or its appurtenant Residential Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

8. Unless expressly authorized by the 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.

9. No window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Board or the Manager, which approval shot not be unreasonably withheld, conditioned, or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

10. It is the responsibility of each Residential Unit Owner to (i) notify the Manager in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) to make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) to otherwise ensure that all operable windows located in the Residential Unit comply with the Law.

11. No radio or television aerial shall be attached to or hung from the exterior of the building, 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 Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-Laws or shall have been

approved in writing by the Board or the Manager. Nothing shall be projected from any window of a Residential Unit without similar approval.

12. 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 in accordance with the terms of the By-Laws.

13. The access doors located in various portions of the ceiling of the Residential Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

14. The agents of the Board or the Managing Agent, and any contractor or workperson authorized by the Board or the Manager, may enter any room or Unit at any reasonable hour of the day, on at least one (1) day's 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.

15. The Board or Manager may retain a passkey to each Residential Unit. If any lock is altered or a new lock is installed, the Board or the Manager shall be provided with a key thereto immediately upon such alteration or installation. If at any time when an entry therein is necessary or permissible under the Residential Rules and Regulations, the House Rules or under the By-Laws, and has not furnished a key to the Board or the Manager, then the Board or Manager or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board or an offer of the Manager) may forcible enter such 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).

16. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Manager, 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 Board nor the Manager shall (except as provided in Rule 14 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

17. No occupant of the Building shall send any employee of the Condominium or of the Manager out of the Building on any private business.

18. 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 Board.

Further, any such consent or approval may, in the discretion of the Board or the Manager, be conditional in nature.

19. No Residential Unit Owner shall install any plantings on any terrace, roof or balcony without the prior approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two (2") inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three (3") 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 (3") inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry plantings shall not, however, rest directly upon the surface of such terrace or roof but shall stand on supports at least two (2") inches above such surface. No planting shall be permanently affixed to a terrace, balcony or roof surface 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. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Board shall have an easement and a right of access to the terrace appurtenant to the Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace and of the Common Elements located in, over, under, through, adjacent to, or upon the same.

20. No Residential Unit Owner shall enclose or erect any structures and/or alter the terrace or balcony appurtenant to a Residential Unit in any way, without the prior approval of the Board.

21. Complaints regarding the service of the Condominium shall be made in writing to the Board and the Managing Agent.

22. When leaving the Residential Unit for extended periods of time, Residential Unit Owners and their respective Family Members, guests, domestic employees, agents, visitors, or licensees shall keep the Residential Unit at a maximum of 80 degrees Fahrenheit from May 15 to October 15 and shall keep the Residential Unit at a minimum of 60 degrees Fahrenheit from October 15 to May 15. Any damage resulting from a Residential Unit Owner's or their respective family member, guests, domestic employees, agents, visitors or licensees failure to abide by the provisions of this paragraph shall be borne solely by the owner of such Residential Unit causing the damage.

23. No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to Residential Unit Owners or occupants or interferes with the peaceful possession or proper use of the Property by Residential Unit Owners or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any

portion of the Property shall be complied with at the sole costs and expense of the respective Residential Unit Owners or the Condominium whoever shall have the obligation to maintain or repair such part of the Property.

24. **Rules Regarding Sales of Units:**

a. A purchase application must be completed by the prospective purchaser in accordance with procedures implemented by the Property Manager (the "Manager") and in accordance with the terms of the By-Laws. There is a fee due from Applicant for the processing of the application and a credit and background check will be performed on the applicant.

b. No sale of a Unit may occur until the Board issues a waiver of the Right of First Refusal, as outlined in the By-Laws.

c. A Working Capital Contribution of two (2) month's Common Charges will due from Purchaser prior to or at the time of the purchase.

25. **Rules Regarding Rentals of Units:**

a. Unit Owners are allowed to rent their units, subject to the Board issuing a waiver of the Right of First Refusal. A rental application must be completed by the prospective tenant in accordance with procedures implemented by the Manager and in accordance with the By-Laws. Such rental shall be for at least the minimum time period prescribed in the By-Laws, which is currently one (1) year, and the lease must be in a form approved by the Real Estate Board of New York ("REBNY"). Short term and weekend rentals are not allowed. This prohibition on short-term and weekend rentals includes Airbnb® and similar online third-party short-term rental marketplaces. Home exchanges or house swaps are also prohibited.

i. Unit Owners must notify the Board regarding any unit occupants present in the unit for more than one (1) month, or for less than one (1) month if the Unit Owner is not present and, if requested by the Manager or the Board, provide authorization and information needed to perform a background check on such persons. Such notice must be given prior to the occupant occupying the Unit.

ii. Unit Owners must notify the Board regarding anyone employed inside a Unit, such as a babysitter, nanny, etc., and, if requested by the Manager or the Board, provide authorization and information needed to perform a background check on such persons. Such notice must be given prior to the person beginning the stated employment.

iii. No permission to rent a Unit shall be granted if the Unit Owner is delinquent on the payment of Common Charges or other fees by ninety (90) days or more.

b. A fine of $500.00 will be assessed for an illegal tenant (no application submitted, no Board approval). This fee will become due if a tenant takes possession of a Unit without having submitted an application and/or without having been approved by the Board. Such charges shall be added to the Unit Owner's account for the payment of Common Charges and other charges. The Board may take additional remedies as the Offering Plan and By-Laws may dictate.

c. The Unit Owner shall be financially responsible for:
   i. Any services performed in the Unit while a tenant is in residence;
   ii. Any damages caused to the Building or the common areas by the tenant;
   iii. Any issues caused by a Unit Owner's tenant within the Condominium.

   Such charges shall be added to the Unit Owner's account for the payment of Common Charges and other charges.

d. Unit Owners must provide a copy of the current lease with any tenants upon request.

26. **Rules Regarding Moving In/Out:**

a. Notify the Manager at least one (1) week in advance, so the elevator can be padded and the appropriate moving fees and deposits can be assessed.

b. Moving companies must present a Certificate of Insurance demonstrating adequate insurance to the Manager for General Liability and Workers Compensation, showing the Condominium as additional insured, stated as follows:

   The Homage on 3rd Street Condominium
   c/o Kaito Management Corp.
   291 5th Avenue
   Brooklyn, New York 11215

c. Moving can be performed Monday-Saturday, between the hours of 9:00 am and 5:00 pm only.

d. A refundable moving deposit must be received by the Manager at least five (5) business days prior to the scheduled moving date, which will be refunded within ten (10) business days after the move provided no damage was caused to the Condominium as a result of the move. Any damage will be deducted from the deposit prior to refund. If the damage is more than the amount of the

deposit, the Unit Owner will be liable to the Condominium for the difference. For moves where the mover is using a professional, insured moving company, the moving deposit will be $500.00. For moves where the mover will be moving their own belongings without the use of a professional, insured moving company, the moving deposit will be $1,000.00.

27. **Rules Regarding Pets:**

a. Dogs/Cats are allowed, provided Management is notified.

b. All pets must be leashed and accompanied when walking through the common areas of the Condominium. If pet waste is found in any public areas of the Condominium, a fine may be imposed on the Unit Owner of the Unit where the responsible pet is registered or staying.

28. **Rules Regarding Renovations:**

Renovations that require Board approval include, but are not limited to: alterations that have structural implications (heating, plumbing, electrical), involve refinishing of floors, expose the Building to violations, or alter the exterior of the Building. Alterations that do not require Board approval include but are not limited to: paint, wallpaper or trivial repairs.

If Unit Owner is in doubt on whether an alteration requires Board approval, they should consult the Board. **All contractors, regardless of scope of work, must have required insurance documents on file with management, prior to work commencement.**

a. Any Unit Owner who wishes to renovate or alter their Unit must submit an Alteration Application. This application shall be conducted in accordance with procedures implemented by Management in the Board's contract with its Property Manager. Applications will then be submitted to the Board for approval. No renovation or alteration may be performed without the prior written permission of the Board or the Property Manager.

b. Any renovations to the interior of a Unit must be performed by a licensed and insured contractor. If not part of the Alteration Application, before being granted permission to renovate or alter a Unit, the Unit Owner must also submit to the Board the following:

i. Written Description of Work and Schedule
ii. All drawings associated with the work
iii. Contact information for Contractor, Architect, Engineer, etc.,
iv. Copies of any government permits required
v. Contractor insurance certificates naming the building as a named insured
vi. A security deposit, if required, determined by the Board, Management and Building architect.

vii. An alteration fee of $300.00

This documentation must be submitted to Management prior to any work being performed. All contractors are required to abide by the House Rules with respect to garbage disposal, safety and Building etiquette. Contractors are responsible for keeping the public areas clean and protected during renovations, including floors, carpets and walls.

c. Work can be performed Monday-Friday, between the hours of 9:00 am and 5:00 pm.

d. Unit Owners who begin renovations without Board approval will incur a fee of $500.00/week retroactive to the beginning of the renovations until Board approval is attained or the apartment has been returned to its original state.

e. All Work shall be completed within 120 workdays, or such other period approved by the Condominium in writing, from the date of commencement of the Work (the "Completion Date"). Failure to complete Work by Completion Date can result in fines up to $100.00 per workday that the work remains in progress and/or uncompleted.

29. **Rules Regarding Financing:**

a. Any Unit Owner who wishes to finance their Unit and who required bank questionnaires or other items completed by Manager may incur fees for such requests. The Manager should be notified of all executed mortgages.

30. **Rules Regarding Garbage & Recycling:**

a. All trash should be bagged and properly disposed of.

b. All recyclable items shall be disposed of using the designated recycle bins in the designated trash area. Wash/rinse recyclable items before disposing of them.

c. All residents are responsible for the proper disposal and associated costs of bulk items. Residents are responsible for placing all mattresses in approved mattress covers before placing them in the trash area.

d. All residents must coordinate with the Building Superintendent, to schedule disposal of all large furniture, mattresses, and other bulk items.

e. All residents are responsible for complying with all NYC Sanitation rules. If any fines are issued to the Condominium because of improper recycling or other improper sanitation violations, the fine and any service fees will be passed on to the offending Unit Owner if such a determination can be made.

f. All residents are responsible for disposing of bulk electronic items by bringing them to an authorized E-waste center. If a bin for the disposal of spent batteries or other small electronics is provided by the Condominium, residents may dispose of such items using these bins.

31. **Miscellaneous:**

a. **Additional Keys**: Only Unit Owners may request additional keys or key fobs; tenants of Unit Owners must make requests through the Unit Owner of their Unit. A fee will be charged for each requested key fob. A refundable deposit and fee will be charged to any third parties requesting keys for access (i.e., contractors working extended periods of time in the Condominium).

b. **General Damage/Cleaning**: Unit Owners or their guests who damage common areas will be required to pay all costs associated with repairing the damage.

c. **General Cleaning Fee:** Unit Owners or their guests whose actions cause extra cleaning requirements to common areas will be required to pay all costs associated with the cleaning.

d. **Late Fee:** All Common Charges must be paid in accordance with the By-Laws. Any Owners who are late on payments shall be assessed fees in accordance with the By-Laws.

e. **Eating in Common Areas; Smoking; Litter:** Eating of food in any common areas, such as elevator, hallways, stairwells, basement, is strictly prohibited. Food may be eaten on the roof so long as any waste or debris created is promptly cleaned up. Smoking is not allowed in any common areas, including a distance of fifty (50') feet from the property line of the Condominium and including balconies to units. Litter is not allowed in the Condominium or in any common area. A fine will be imposed to any resident for each violation of this rule.

f. **Quiet Enjoyment:** Unit Owners may not disturb the quiet enjoyment of any other resident in the building or surrounding neighbors. The Unit Owner is responsible for adhering to the Condominium's quiet hours. Quiet hours are from 8:00 pm until 8:00 am on every day except Saturday when the quiet hours begin at 11:00 pm. If a Unit Owner violates the quiet hours policy on three (3) separate documented occasions, the Unit Owner is in violation of the House Rules and a suitable fine may be imposed by the Board.

g. **Business Use:** Unit owners must identify any business concerns being conducted inside their Unit, including the name of the business, the nature of the business, and the identities of employees stationed in the Unit.

h. **All Rules Apply to Tenants/Guests:** All rules in these House Rules which apply to Unit Owners and which assess fees/fines to Unit Owners for their violation apply equally to tenants of Unit Owners, or the guests of Unit Owners or their tenants, and any fees/fines caused by tenants of Unit Owners, or the guests of Unit Owners or their tenants will be assessed to the Unit Owner.

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINICIPALS PURSUANT TO PART 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINICIPALS PURSUANT TO PART 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

RE: THE HOMAGE ON 3RD STREET CONDOMINIUM
497 3rd Street, Brooklyn, NY 11215

We are the Sponsor and principals of Sponsor of the Condominium Offering Plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law, and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us, which amend or supplement the Offering Plan will:

i. set forth the detailed terms of the transaction and be complete, current and accurate;

ii. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment

iii. not omit any material fact;

iv. not contain any untrue statement of a material fact;

v. not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

vi. not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

vii. not contain any representation or statement which is false, where we (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations 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.

THE HOMAGE ON 3RD, LLC

By: _____
PEGGY HERNANDEZ

STEVEN BAKER
NOTARY PUBLIC-STATE OF NEW YORK
No. 01BA6370962
Qualified in Kings County
My Commission Expires 02-12-2022

Sworn to this
7th day of April 2020

_____
NOTARY PUBLIC

SPONSOR'S PRINCIPAL:

_____
PEGGY HERNANDEZ, AS TRUSTEE,
CARLOS HERNANDEZ TRUST

Sworn to this
7th day of April 2020

_____
NOTARY PUBLIC

STEVEN BAKER
NOTARY PUBLIC-STATE OF NEW YORK
No. 01BA6370962
Qualified in Kings County
My Commission Expires 02-12-2022

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT PURSUANT TO PART 20.4(c)(2) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

STUDIO VURAL – Architecture for Home & Business
247 Water Street, Suite 304, Brooklyn, NY 11201 – (718) 243 1287 – admin@studiovural.com

Re: Certification of Sponsor's Architect

January 30, 2020

New York State Department of Law
Real Estate Finance Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
The Homage on 3rd Street Condominium
497 3rd Street
Brooklyn, NY 11215 ("Property")

The undersigned Selim Vural, an Architect duly registered in the State of New York with the firm of STUDIO VURAL located at 247 Water Street, Suite 304, Brooklyn, NY 11201 certifies as follows:

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I/We visually inspected the property and I/we examined the building plans and specifications dated 5/28/2019 and prepared the Report dated 11/5/2019, a copy of which is intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report (and addendum).

We are an Architect in the State in which the property is located.

We understand that I am/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 this Report (addendum).

We have read the entire Report (addendum) and investigated the facts set forth in the Report (addendum) and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report (addendum):

1. set forth in narrative form the description of the and/or physical condition of the entire property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I/we examined.

STUDIO VURAL – Architecture for Home & Business
247 Water Street, Suite 304, Brooklyn, NY 11201 – (718) 243 1287 – admin@studiovural.com

2. In my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition of the property (the aspects of the property discussed in the addendum) as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I/we examined;
3. does not omit any material facts;
4. does not contain any untrue statement of a material fact;
5. does not contain any fraud, deception, concealment, or suppression;
6. does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
7. does 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 representations or statements made.

We further certify that I am/we are not owned or controlled by and have no beneficial interest in the Sponsor and that my/our compensation for preparing this Report (addendum) is not contingent on the conversion of the property to a Condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Selim Vural

REGISTERED ARCHITECT SELIM VURAL 038117 STATE OF NEW YORK

Sworn to before me this

30 day of January, 2020

NATASHA KALIF BELLESI
NOTARY PUBLIC-STATE OF NEW YORK
No. 01KA6399160
Qualified in Kings County
My Commission Expires 10-15-2023

NOTARY PUBLIC

CERTIFICATION OF EXPERT REGARDING ADEQUACY OF SCHEDULE B PURSUANT TO PART 20.4(d) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED



398 MANHATTAN AVE
BROOKLYN, NY 11211
OFFICE: 718-388-0025
FAX: 718-388-0065
HTTP://WWW.BEDFORDMGMT.COM

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET
FIRST YEAR OF CONDOMINIUM OPERATION

November 12, 2019

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

Re: The Condominium Offering Plan (the "**Plan**") for
The Homage on 3rd Street Condominium (the "**Condominium**")
497 3rd Street
Brooklyn, New York (the "**Premises**")

The undersigned certify as follows:

The Sponsor of the Condominium Offering Plan for the captioned property retained our firm to review Schedule B and Schedule B-1, containing projections of income and expenses for the first year of operation of the Condominium. Our experience in the field includes the management of real estate properties in New York. We have been managing properties for over 15 years. We currently manage approximately 140 properties, comprising approximately 900 residential and commercial units.

I/we understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to Schedules B and B-1.

I/we have reviewed the Schedules 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. I/we also have relied on my experience managing residential buildings.

I/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.

I/we certify that the Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

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(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(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 I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth;
(d) did not have knowledge concerning the representation or statement made.

I/we further certify that I are not owned or controlled by the Sponsor. I/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 or perjury for the benefit of all persons to whom this offer is made.

I/we understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

By: _____
Name: Matthew Gelfand
Title: Managing Agent

Sworn to before me this
12 day of November, 2019

_____
Notary Public

BOGUMILA T. ROSEBURG
NOTARY PUBLIC - STATE OF NEW YORK
NO. 01RO5071459
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JANUARY 13, 2023

CERTIFICATION OF EXPERT REGARDING ADEQUACY OF COMMON CHARGES PAYABLE BY THE RETAIL UNIT OWNER PURSUANT TO PART 20.4(e) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

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CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNER(S)

FIRST YEAR OF CONDOMINIUM OPERATION

December 11, 2019

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

Re: The Condominium Offering Plan (the "**Plan**") for
The Homage on 3rd Street Condominium (the "**Condominium**")
497 3rd Street
Brooklyn, New York (the "**Premises**")

The undersigned certify as follows:

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the commercial unit(s). Our experience in the field includes the management of real estate properties in New York. We have been managing properties for over 15 years. We currently manage approximately 140 properties, comprising approximately 900 residential and commercial units.
I/We understand that I am/we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit(s) listed in Schedule B.

I/We have reviewed the Schedule as it impacts upon the commercial unit(s) and investigated the facts underlying it with due diligence in order to form a basis for this certification. I/We also have relied on my/our experience in managing residential buildings.

I/We certify that the projections in Schedule B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit(s) also reflects special or exclusive use or availability or exclusive control of particular common areas.

I/We certify that the estimates in Schedule B for the common charges payable by the owners of the commercial unit(s):

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OFFICE: 718-388-0025
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(i) set forth in detail the projected common charges for the commercial unit(s) for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the commercial units(s);

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I/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.

I/We further certify that I am/we are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law

By: _____
Name: Matthew Gelfand
Title: Managing Agent

Sworn to before me this
12 day of December, 2019

_____
Notary Public

BOGUMILA T. ROSEBURG
NOTARY PUBLIC - STATE OF NEW YORK
NO. 01RO5071459
QUALIFIED IN QUEENS COUNTY
COMMISSION EXPIRES JANUARY 13, 2023

ATTORNEY'S INCOME TAX OPINION

Law Office of Lindsay Rubel, P.C.
57 7th Avenue 2nd Floor
Brooklyn, NY 11217
Tel: 347-678-5280
Fax: 866-573-2037

November 11, 2019

The Homage on 3rd, LLC
497 3rd Street
Brooklyn, NY 11215

Re: 497 3rd Street

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan of The Homage on 3rd Street Condominium (the "Plan"), which is expected to commence in June, 2020, you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate 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 Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each 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.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by 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 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, residential 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 or substantially improving a Residential Unit, this ceiling is $750,000, or $375,000 in the case of a married individual filing a separate return. 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 estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, (1) provided that he itemizes his deductions, and (2) subject to the $10,000, or $5,000 in the case of a married individual filing a separate return, limitation on the deductibility of state and local taxes.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. However, New York State income tax law does not conform to Federal tax law in all instances. The provisions of Code Section 163(h)(3)(F) which reduce the limit on qualifying home acquisition indebtedness incurred after December 15, 2017, from $1,000,000 to $750,000 (or from $500,000 to $375,000 for married filing separately), and which prohibit the deduction of interest on home equity indebtedness, do not apply for New York State tax purposes. New York State taxpayers may deduct home mortgage interest on the first $1,000,000 ($500,000 if married filing separately) of mortgage debt that qualifies as acquisition indebtedness or home equity indebtedness for qualified residences, even if such debt was incurred after December 15, 2017. However, within the $1,000,000 cap, the amount of mortgage debt qualifying as home equity indebtedness shall not exceed $100,000 ($50,000 if married filing separately). Likewise, New York State tax law does institute any cap on the deductibility of state and local real estate taxes. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Residential Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 497 3rd Street 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 federal income tax purposes. In order for the Association to qualify as an exempt organization for 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 (I), above, with respect to a condominium project substantially all the 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 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 Units within the project is used by individuals for residential purposes. 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 Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is

occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under IRC Sec. 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Units. However, the Association will 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, 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.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, the present state of the law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. 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 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 Unit Owners. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.[i]

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 Units. We express no views as to any 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 Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a 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, special 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.

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS 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 UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Sincerely Yours,

Law Office of Lindsay Rubel, P.C.

[i] To remove doubt in the area, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation.

REAL ESTATE TAX PROJECTION OPINION

METROPOLITAN
Realty Exemptions

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

October 29, 2019

The Homage on 3rd, LLC
497 3rd Street
Brooklyn, NY 11215

RE: 497 3 Street
Brooklyn, NY
Block & Lot: 1021 - 9

Letter of Opinion regarding proposed real estate tax liabilities for the project located at 497 3 Street, Brooklyn, NY

Project Details: 4 Residential Condominium Units and 1 Commercial Units

To Whom It May Concern;

You have requested an opinion concerning the real property assessment to be levied upon the above property for the first full tax year after completion of construction, to be included in the Condominium Offering Plan.

In order to prepare this letter and the opinion set forth herein, you have supplied us with the following information upon which we have relied:

1. The subject property is located at 497 3 Street, Brooklyn, NY, and is known as Block 1021, Lot 9 with the New York City Department of Finance ("DOF").

2. The proposed is to construct four (4) residential condo units and one (1) commercial unit.

3. According to the information provided to our firm, the approximate gross square footage of the entire building will be 5,936 SF.

4. The commercial portion will consist of 470 SF and the residential portion will consist of 5,466 SF.

5. There will be separate condominium tax lots filed with the DOF for each residential and commercial unit.

6. Based on assessment guidelines, the DOF Surveyor's Office shall class the condominium units as a tax class two (2) and thus levy the assessed value on a 45% rate of the market value.

7. The commercial space will be classed as a tax class four (4) and the assessed value will be levied at 45% of the market value too.

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

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

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

Proposed Real Estate Tax Liabilities
We have taken the following factors in account when formulating our opinion: (a) the recent tax assessment history on the property; (b) comparable condominium projects in the neighborhood which have been newly constructed; (c) market conditions in the general area; (e) proposed estimate of the cost of construction; (f) calculation of the gross floor area mentioned above.

Considering the aforementioned, we are estimating that the DOF will set the assessed value of the residential space at approximately $80 per square foot, and set the assessed value of the commercial space at approximately $85 per square foot.

Accordingly, the total assessed value of the property (i.e., the aggregate assessment of the both commercial and residential portions) is estimated to be $477,230, following completion of construction.

Assuming the 2018/2019 tax rates of 12.612% for tax class 2 and 10.514% for tax class 4 (i.e., $12.612 per $100 of AV, and $10.514 per $100 of AV the final 2018/2019 tax rates), the projected tax liability will be as follows:

METROPOLITAN Realty Exemptions, Inc.

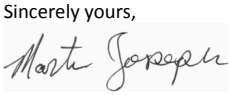
Residential Tax Liability	
Assessed Value	$437,280
Tax Liability	$55,150
Commercial Tax Liability	
Assessed Value	$39,950
Tax Liability	$4,200

The real property tax liabilities will be divided based on the percentages of common interest for each condominium unit.

Though the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on the interpretation of the administrative code and the applicable rules and regulations of the City of New York.

Although we believe our opinions are well-founded, they are not intended, and should not be construed as warranties or guaranties or representations as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures or projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater that that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely yours,



Martin Joseph
Metropolitan Realty Exemptions, Inc.

NEW YORK REAL PROPERTY LAW SECTION 339-kk

§ 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.

NEW YORK GENERAL BUSINESS LAW ARTICLE 36B SECTION 777
NY GBL § 777-A
THE "HOUSING MERCHANT IMPLIED WARRANTY"

777-a. Housing merchant implied warranty.
1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

NEW YORK CITY LOCAL LAW 1

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

ATTORNEY GENERAL OF THE STATE OF NEW YORK
MODEL FORM ESCROW AGREEMENT

NEW YORK STATE DEPARTMENT OF LAW

MODEL FORM OF ESCROW AGREEMENT

AGREEMENT made this _____ day of _____, 20___, by and among _____ ("PURCHASER"), _____ ("SPONSOR"), as sponsor of the _____offering plan ("Plan") and _____ ("ESCROW AGENT").

WHEREAS, SPONSOR has filed the Offering Plan with the Attorney General to offer for sale [cooperative/condominium/homeowners association/time shares] [ownership/membership/fractional] interests at the premises located at _____, subject to the terms and conditions set forth in the Plan; and

WHEREAS, ESCROW AGENT is authorized to act as an escrow agent hereunder in accordance with New York General Business Law ("GBL") Sections 352-e(2-b), 352-h and the New York Department of Law's regulations promulgated thereunder; and

WHEREAS, SPONSOR and PURCHASER desire that ESCROW AGENT act as escrow agent for deposits, down payments, and advances (referred to herein as "Deposit") pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1. ESCROW AGENT [shall/has] establish[ed] 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 [shares/unit/membership interest/fractional interest] [__] (the "Purchase Agreement") at [NAME OF BANK] located at _____, in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled _____("Escrow Account"). [The account number is _____.]

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories: _____. 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 _____, and a telephone number of _____.

1.3 ESCROW AGENT and all authorized signatories hereby submit to the jurisdiction of the State of New York and its Courts for any cause of action arising out of this Agreement or otherwise concerning the maintenance of or release of the Deposit from escrow.

1.4 Neither ESCROW AGENT nor any authorized signatories on the Escrow Account are the Sponsor, Selling Agent, Managing Agent (as those terms are defined in the Plan), or any principal thereof, or have any beneficial interest in any of the foregoing .

1.5 The Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All Deposits received from PURCHASER prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of _____, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to PURCHASER promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within five (5) business days after the Purchase Agreement has been tendered to ESCROW AGENT along with the DEPOSIT, ESCROW AGENT shall place the DEPOSIT into the Escrow Account. Within ten (10) business days of placing the DEPOSIT in the Escrow Account, ESCROW AGENT shall provide written notice to Purchaser and Sponsor, confirming the Deposit. Such notice shall set forth the Bank, the account number, and the initial interest rate earned thereon. If the PURCHASER does not receive notice within fifteen (15) business days after tender of the Deposit, the PURCHASER may cancel the Purchase Agreement within ninety (90) days after tender of the Deposit. Complaints concerning the failure to honor such cancellation requests may be referred to the New York State Department of Law, Real Estate Finance Bureau, 28 Liberty Street, New York, NY, 10005. Rescission shall not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely placed in the Escrow Account in accordance with the New York State Department of Law's regulations concerning the Deposit and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of PURCHASER to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of a post-closing amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to PURCHASER as set forth in GBL §§ 352-e(2-b) and 352-h.

3.2 ESCROW AGENT shall release the Deposit to PURCHASER or SPONSOR as directed:

3.2.1 pursuant to terms and conditions set forth in the Purchase Agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest];

3.2.2 in a subsequent writing signed by both SPONSOR and PURCHASER; or

3.2.3 by a final, non-appealable order or judgment of a court.

3.3 If Escrow Agent is not directed to release the Deposit pursuant to paragraph 3.2 above, and Escrow Agent receives a request by either SPONSOR or PURCHASER to release the Deposit, then Escrow Agent must give both the Purchaser and Sponsor prior written notice of not fewer than thirty (30) days before releasing the Deposit. If Escrow Agent has not received notice of objection to the release of the Deposit prior to the expiration of the thirty (30) day period, the Deposit shall be released and Escrow Agent shall provide further written notice to both PURCHASER and SPONSOR informing them of said release. If Escrow Agent receives a written notice from either PURCHASER or SPONSOR objecting to the release of the Deposit within said thirty (30) day period, Escrow Agent shall continue to hold the Deposit until otherwise directed pursuant to paragraph 3.2 above. Notwithstanding the foregoing, Escrow Agent shall have the right at any time to deposit the Deposit contained in the Escrow Account with the Clerk of the county where the [unit/building] is located and shall give written notice to both SPONSOR and PURCHASER of such deposit.

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

3.4.1 Purchaser, if Purchaser timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or

3.4.2 Purchaser after an Amendment abandoning the Plan is accepted for filing by the New York State Department of Law.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Escrow Account for seven years after release of the Deposit.

4.2 Upon the dissolution of the law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and PURCHASER, and ESCROW AGENT acknowledges its fiduciary and statutory obligations pursuant to GBL§§ 352-e(2-b) and 352-h.

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

6. RESPONSIBILITIES OF SPONSOR.

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

6.2 SPONSOR shall obtain or cause the selling agent under the Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from PURCHASER and deliver such form to ESCROW AGENT together with the Deposit and Purchase Agreement.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled by either:

7.1.1 Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Plan with the Department of Law providing for a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law. PURCHASER shall be deemed to have consented to such cancellation;

7.1.2 The resignation of ESCROW AGENT, which shall not take effect until ESCROW AGENT is replaced by a successor escrow agent that meets the requirements set forth in applicable regulations of the New York State Department of Law, and notice is given to PURCHASER of the identity of the successor escrow agent, the Bank in the State of New York where the Deposit is being held, and the account number therefor.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1.1 or 7.1.2 above, ESCROW AGENT shall deliver the Deposit held by ESCROW AGENT and the Purchase Agreement and any other documents maintained by ESCROW AGENT relating to the Deposit to the successor escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR, PURCHASER, and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Prior to release of the Deposit, ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

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

13. ENTIRE AGREEMENT.

This Agreement, read together with GBL §§ 352-e(2-b) and 352-hand the New York State Department of Law's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

[LAW FIRM]

By: _____
Name: _____
Title: _____

SPONSOR

[INSERT NAME]

By: _____
Name: _____
Title: _____

PURCHASER

[INSERT NAME]

By: _____
Name: _____
Title: _____